



(Please scan this QR code to view the Letter of Offer)

Draft Letter of Offer
Dated: December 19, 2024
For Eligible Equity Shareholders only



PRAXIS HOME RETAIL LIMITED

Our Company was originally incorporated on January 31, 2011 under the Companies Act, 1956 as GRN Energy Private Limited with the Registrar of Companies, Maharashtra at Mumbai ("RoC"). Further, the name of our Company was changed to GRN Retail Private Limited and a fresh certificate of incorporation was issued on December 21, 2016 by RoC. Furthermore, the name of our Company was changed to Praxis Home Retail Private Limited and a fresh certificate of incorporation was issued on January 5, 2017 by RoC. Thereafter, our Company was converted to a public limited company and the name of our Company was changed to Praxis Home Retail Limited and a fresh certificate of incorporation was issued by the RoC on June 21, 2017. For details of change in name and registered office of our Company, see "General Information" on page [●].

Registered and Corporate Office: 2nd Floor, Knowledge House, Shyam Nagar Off Jogeshwari-Vikhroli Link Road,
Near Talav, Jogeshwari East, Mumbai – 400 060
Telephone: +91 22 4959 2500

Contact Person: Vimal Dhruve, Company Secretary and Compliance Officer

Email: investorrelations@praxisretail.in; **Website:** www.praxisretail.in

Corporate Identity Number: L52100MH2011PLC212866

OUR PROMOTERS: KISHORE BIYANI AND FUTURE CORPORATE RESOURCES PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF PRAXIS HOME RETAIL LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("RIGHTS EQUITY SHARES") OF THE COMPANY FOR CASH AT A PRICE OF ₹ [●] EACH (INCLUDING A SHARE PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE) ("ISSUE PRICE") FOR AN AGGREGATE AMOUNT UP TO ₹ 4,958.00 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●]. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE [●].

*Assuming full subscription

WILFUL DEFAULTER OR FRAUDULENT BORROWER

Neither our Company, our Promoters nor our Directors are categorised wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk with their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of investors is invited to the statement of "Risk Factors" on page [●].

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together, the "Stock Exchanges"). Our Company has received 'in-principle' approvals from BSE and NSE for listing the Rights Equity Shares to be allotted in the Issue through their letters dated [●] and [●], respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. [●] shall be the Designated Stock Exchange for the purpose of this Issue.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



PRIME SECURITIES LIMITED

1109/1110, Maker Chambers V, Nariman Point
Mumbai – 400021, Maharashtra, India

Telephone: +91 22 61842525

Email: projectorchid@primesec.com

Investor Grievance

projectorchid@primesec.com

Website: www.primesec.com

Contact Person: Apurva Doshi

SEBI Registration No.: INM00000075

Email:

NEW BERRY CAPITALS PRIVATE LIMITED

A-602 Marathon NextGen Innova, Ganpatrao Kadam
Marg, Veer Santaji Lane, Lower Parel, Mumbai City,
Mumbai, Maharashtra, India, 400013

Telephone: +91 22 48818446

Email: mb@newberry.in

Investor Grievance Email: grievances@newberry.in

Website: www.newberry.in

Contact Person: Ankur Sharma

SEBI Registration No.: INM000012999

LINK INTIME INDIA PRIVATE LIMITED

C-101, 1st Floor, 247 Park, LBS Marg, Surya Nagar,
Gandhi Nagar, Vikhroli (West), Mumbai – 400 083,
Maharashtra, India.

Telephone: +91 810 811 4949

E-mail: praxis.rights2024@linkintime.co.in

Investor grievance E-mail:

praxis.rights2024@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Registration No.: INR000004058

ISSUE PROGRAMME

ISSUE OPEN ON

LAST DATE FOR ON MARKET RENUNCIATION*

ISSUE CLOSES ON#

[●]

[●]

[●]

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

#Our Board or a duly authorised committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in sections/ chapters titled “Industry Overview”, “Statement of Special Tax Benefits”, “Financial Information” and “Outstanding Litigations and Defaults” and “Terms of Issue” on pages [●], [●], [●], [●] and [●] respectively, shall have the meaning given to such terms in such sections.

General terms

Term	Description
“Praxis Home Retail Limited” or “We” or “us” or “Our Company” or “the Company” or “the Issuer”	Praxis Home Retail Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered and corporate office at 2nd Floor, Knowledge House, Shyam Nagar Off Jogeshwari-Vikhroli Link Road, Near Talav, Jogeshwari East, Mumbai – 400 060.

Company related terms

Term	Description
Articles / Articles of Association / AoA	The Articles of Association of our Company, as amended from time to time.
Auditor / Statutory Auditor	The statutory auditor of our Company, being M/s Singhi & Co, Chartered Accountants.
Audited Financial Statements/ Audited Financial Information	The audited financial statements of our Company for the financial year ended March 31, 2024 which comprises of the balance sheet as at March 31, 2024, the statement of profit and loss, including other comprehensive income, the cash flow statement and the statement of changes in equity for the year March 31, 2024, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details, see “Financial Statements” on page [●].
Board / Board of Directors	Board of Directors of our Company, including any committees thereof.
Corporate Promoter	Future Corporate Resources Private Limited.
Equity Share(s)	The equity shares of our Company of a face value of ₹5 each, unless otherwise specified in the context thereof.
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI Listing Regulations.
Individual Promoter	Kishore Biyani
Key Management Personnel / KMP	Key management/ managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in “Our Management – Key Managerial Personnel” on page [●].
Limited Review Report	Report dated November 11, 2024 prepared by the statutory auditors of our Company, M/s Singhi & Co, Chartered Accountants on the unaudited financial results of our

Term	Description
	Company for the quarter and six month period ended on September 30, 2024.
Memorandum / Memorandum of Association / MoA	Memorandum of association of our Company, as amended from time to time.
Preference Shares	The 9 % redeemable non-cumulative preference shares of a face value of ₹100 of our Company each, unless otherwise specified in the context thereof.
Promoter(s)	The Promoters of our Company, namely Kishore Biyani and Future Corporate Resources Private Limited.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations.
Registered and Corporate Office	The registered office of our Company located at 2nd Floor, Knowledge House, Shyam Nagar Off Jogeshwari-Vikhroli Link Road, Near Talav, Jogeshwari East, Mumbai – 400 060.
Registrar of Companies/ RoC	The Registrar of Companies, Maharashtra at Mumbai.
Shareholders / Equity Shareholder	The equity shareholders of our Company, for the time being.
SVAR Plan-2018	Praxis Home Retail Limited Share Value Appreciation Rights Plan -2018 pursuant to a special resolution passed by the shareholders of our Company on September 18, 2018.
Praxis ESOP – 2021	Praxis Home Retail Limited Employee Stock Option Plan – 2021 pursuant to a special resolution passed by the shareholders of our Company on December 13, 2021.
Praxis ESOP - 2024	Praxis Home Retail Limited Employee Stock Option Plan – 2024 pursuant to a special resolution passed by the shareholders of our Company on April 27, 2024.
Limited Review Unaudited Financial Statements/ Review Limited Unaudited Financial Results	The limited reviewed unaudited financial results for the quarter and six months period ended September 30, 2024, prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the notes thereto.

Issue related terms

Term	Description
Abridged Letter of Offer / ALOF	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to this Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot / Allotted / Allotment	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The accounts opened with the Banker to the Issue, into which the amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Account Bank/Banker to Issue/Refund Bank	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Account(s) will be opened, in this case being HDFC Bank Limited.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted and the Rights Equity Shares pursuant to this Issue.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Persons to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renounees who are entitled to make an application for the Equity Shares in terms of this Draft Letter of Offer.

Term	Description
Application	Application made (i) through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Form in terms of which an Applicant shall make an application to subscribe to the Rights Equity Shares pursuant to the Issue, including plain-paper applications and online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount / ASBA	The application (whether physical or electronic) used by an Applicant(s) to make an application authorizing the SCSB to block the amount payable on application in their ASBA Account maintained with such SCSB.
ASBA Account	An account maintained with an SCSB and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper.
ASBA Applicants / ASBA Investors	Applicants / Investors who make Application in this Issue using the ASBA Process.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI ICDR Master Circular (to the extent it pertains to the rights issue process) and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker to the Company	HDFC Bank Limited
Banker to the Issue	[•]
Banker to the Issue Agreement	Agreement dated [•] amongst our Company, the Lead Managers, the Registrar to the Issue and the Banker to the Issue for transfer of funds to the Allotment Account, refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange under this Issue and which is described in “ <i>Terms of the Issue</i> ” on page [•].
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Lead Managers, the Registrar to the Issue and the Stock Exchanges, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/husband, investor status, occupation and bank account details, where applicable.
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper Application, as the case may be, from the Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI or the Stock Exchange(s), from time to time.
Designated Stock Exchange	[•]
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer / DLOF	This draft letter of offer dated December 19, 2024, filed with the Stock Exchanges including any addenda or corrigenda thereto.
Equity Shareholder(s) / Shareholder(s)	The holders of Equity Shares of our Company.

Term	Description
Eligible Equity Shareholder(s)	Holder(s) of the Equity Shares as on the Record Date, i.e., [●]
Independent Auditor for the Issue	M/s DMKH & Co., Chartered Accountants
ISIN	International Securities Identification Number.
Issue / Rights Issue	Issue of up to [●] Rights Equity Shares for cash at a price of ₹ [●] per Rights Equity Share, including a share premium of ₹ [●] per Rights Equity Share for an aggregate amount upto ₹ 4,958.00 lakhs* on a rights basis by our Company to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders on the Record Date. <i>*Assuming full subscription</i>
Issue Agreement	Issue agreement dated December 13, 2024 between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Documents	Collectively, Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter, any other issue material
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [●] per Rights Equity Share.
Issue Proceeds/Gross Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to [●] Rights Equity Shares aggregating to an amount upto ₹ 4,958.00 lakhs*. <i>*Assuming full subscription</i>
Lead Managers to the Issue/ Lead Managers	Prime Securities Limited and New Berry Capitals Private Limited
Letter of offer/ LOF	The Letter of Offer dated [●], to be filed with the Stock Exchanges and SEBI after obtaining in-principle approval from BSE & NSE.
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Materiality Threshold	Materiality threshold adopted by our Board by way of its resolution dated November 11, 2024, in relation to the disclosure of outstanding civil litigation, where the amount involved is equal to or in excess of ₹ 1,129.69 lakh (being 5% percent of the revenue of the Company as per the audited financial statements of the Company for the immediately preceding financial year).
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue-related expenses. For details, see “ <i>Objects of the Issue</i> ” on page [●]
Non-Institutional Investor(s) / NII	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Non – ASBA Applicant/ Non - ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process.
Offer Document(s)	This Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigenda thereto.
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before [●].
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring

Term	Description
	them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws.
QIBs / Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for the Rights Equity Shares in the Issue, being [●]
Registrar / Registrar to the Issue	Link Intime India Private Limited
Registrar Agreement	Agreement dated December 5, 2024 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who, has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the Companies Act and any other applicable law.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through Off-market transfer is completed in such manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Investor / RII	An individual Investor who has applied for Rights Equity Shares for an amount not more than ₹ 2,00,000 (including an HUF applying through <i>karta</i> in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlements/ REs	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to his / her shareholding in our Company as on the Record Date, being [●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held by the Eligible Equity Shareholder on the Record Date. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares / Rights Shares	Equity Shares of our Company to be Allotted pursuant to the Issue.
Self-Certified Syndicate Banks / SCSBs	Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A list of all SCSBs is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , updated from time to time and/or such other website(s) as maybe prescribed by SEBI from time to time.
Stock Exchanges	BSE and NSE where the Equity Shares are presently listed.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter or Fraudulent Borrower	An entity or person categorised as a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the

Term	Description
	Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays.

Business and Industry Related Terms

Terms	Description
GDP	Gross Domestic Product
GVA	Gross Value Added
HNI's	High Networth Individuals
IIP	Index of Industrial Production
IT	Information Technology
MRP	Maximum Retail Price
PMA Y	Pradhan Mantri Awas Yojana
SKU	Stock Keeping Units
TV	Television

Conventional, General Terms and Abbreviations

Term	Description
₹/ Rs./ Rupees/ INR	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF	Alternative investment fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
CCD	Compulsorily Convertible Debentures
CIN	Corporate Identity Number
Companies Act	Companies Act, 2013 and the rules made thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository Participant / DP	A Depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EPS	Earnings per Share
ERP	Enterprise Resource Planning
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial year / Fiscal/ FY	Period of 12 (twelve) months beginning April 1 and ending March 31 of that particular year, unless otherwise stated
Foreign Portfolio Investor / FPI	Foreign portfolio investor as defined under the SEBI FPI Regulations
Fugitive Economic	An individual who is declared a fugitive economic offender under Section 12 of the

Term	Description
Offender	Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors registered under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
GDP	Gross Domestic Product
Government / Government of India / GoI	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financing Reporting Standards of the International Accounting Standards Board
Ind AS	Indian accounting standards prescribed under Section 133 of the Companies Act, as notified under the Companies (Indian Accounting Standards) Rules, 2015
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ISIN	International Securities Identification Number allotted by the depository
IT	Information Technology
I.T. Act / IT Act	Income Tax Act, 1961
I. T. Rules	Income Tax Rules, 1962
Listing Agreements	The listing agreements entered into by our Company with the Stock Exchanges
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
MoU	Memorandum of Understanding
Mutual Fund	Mutual Fund registered with SEBI under the SEBI Mutual Fund Regulations.
NA / N.A.	Not Applicable
NACH	National Automated Clearing House which is a consolidated system of ECS
NAV	Net asset value
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NI Act	Negotiable Instruments Act, 1881
NSDL	National Securities Depositories Limited
NR / Non-Resident	A person resident outside India, as defined under the FEMA
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NRI	Non-Resident Indian
NSE	The National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA
OCI	Overseas Citizen of India
p.a.	Per Annum
PAC	Persons Acting in Concert

Term	Description
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price / Earnings Ratio
PIO	Persons of Indian Origin
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTGS	Real Time Gross Settlement
RONW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI Rights Issue Circulars/ SEBI Master Circular	SEBI master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Securities Act	United States Securities Act of 1933
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
Trade Marks Act	Trade Marks Act, 1999
US	United States of America
US GAAP	Generally Accepted Accounting Principles in United States
VCF	A venture capital fund (as defined and registered with SEBI under the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996)

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Pursuant to the Rights Issue Circulars, in case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders who have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Further, the Letter of Offer will be provided through e-mail by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their email addresses to our Company and who make a request in this regard. Investors can also access the Draft Letter of Offer/Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Managers, and the Stock Exchanges.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company, the Lead Managers, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Issue Materials must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Lead Managers or their respective affiliates to any filing or registration requirement (other than in India). If Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in Issue Materials. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction without requirement for our Company, the Lead Managers or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Issue Materials nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company’s affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Draft Letter of Offer/Letter of Offer or date of such information.

The contents of the Draft Letter of Offer/Letter of Offer and Abridged Letter of Offer should not be construed as business, legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Managers nor any of their respective affiliates are making any

representation to any offeree or purchaser of the Rights Equity Shares or the Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (“**Securities Act**”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (“**United States**” or “**U.S.**”) or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act (“**Regulation S**”), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in the Draft Letter of Offer/ Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ Or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the Draft Letter of Offer/Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, the Letter of Offer/ Abridged Letter of Offer, Rights Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company has reason to believe is, in the United States of America when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer or Abridged Letter of Offer and the Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company.

We, the Registrar, the Lead Managers or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Draft Letter of Offer are to the Republic of India and the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, Central or State, as applicable. Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated or the context requires otherwise, our financial data included in this Draft Letter of Offer is derived from the Audited Financial Statements for the financial year ended on March 31, 2024 and Limited Review Unaudited Financial Results for the quarter and six month period ended on September 30, 2024. For further information, see “*Financial Information*” on page [●].

We have prepared our Audited Financial Statements and Limited Review Unaudited Financial Results in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended, Regulation 33 of the SEBI Listing Regulations and guidance notes issued by ICAI. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal or FY, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in lakhs.

Market and Industry Data

Unless stated otherwise, market and industry data used in this Draft Letter of Offer has been obtained or derived from publicly available information, industry publications and sources. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy, adequacy, completeness, reliability or underlying assumption are not guaranteed. Similarly, internal surveys, industry forecasts, market research and industry and market data used in this Draft Letter of Offer, while believed to be reliable, have not been independently verified by our Company, the Lead Managers or their respective affiliates and neither our Company, the Lead Managers, nor their respective affiliates make any representation as to the accuracy of such information. Accordingly, Investors should not place undue reliance on this information.

Certain industry related information in the sections titled “*Industry Overview*”, “*Our Business*”, “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*” on pages [●], [●], [●] and [●] respectively, have been derived from an industry report titled “*India Home Furniture Market 2024-2029*” dated September 10, 2024, prepared by Mordor Intelligence Private Limited (the “**Home Furniture Report**”) an independent research house, pursuant to an engagement with our Company.

Currency and Units of Presentation

All references to “Rupees” or “₹” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$”, “U.S. Dollar”, “USD” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

Certain numerical information has been presented in this Draft Letter of Offer in “Lakhs” units. 1,00,00,000 represents one crore and 10,00,000 represents one million.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Audited Financial Statements and/ or Limited Reviewed Unaudited Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimals.

Exchange Rates

These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and the respective foreign currencies:

Currency	Exchange rate as on (in ₹)		
	September 30, 2024	March 31, 2024	March 31, 2023
1 US\$	83.79	83.37	82.22

(Source: www.fbil.org.in)

The price for the period end refers to the price as on the last trading day of the respective fiscal year.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute ‘forward-looking statements’. Investors can generally identify forward-looking statements by terminology including ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘forecast’, ‘intend’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘target’, ‘will’, ‘would’ or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Letter of Offer that are not historical facts.

These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- Our ability to successfully implement our strategy;
- Our inability to anticipate and respond to changes in customer preferences in a timely and effective manner;
- Any imitation of our brand, product solutions, or any reproduction of likenesses of our products;
- Increasing competition in, and the conditions of, the Indian home products industry;
- Any breaches of data security or disruptions of our information technology systems;
- Our inability to attract and retain skilled personnel; and
- Our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages [●], [●] and [●], respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as at the date of this Draft Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled “Risk Factors”, “Objects of the Issue”, “Our Business” and “Outstanding Litigations and Defaults” on pages [●] , [●] , [●] and [●] , respectively.

Summary of our Business

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, 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.

Objects of the Issue

Our Company intends to utilize the Net Proceeds raised through the Issue towards the following objects:

S. No.	Particulars	(₹ In lakhs) Estimated amount
1.	To reduce the current liabilities by repaying part of our Borrowings	2,300.00
2.	To reduce the current liabilities by repaying part of our outstanding trade payables	1,500.00
3.	General corporate purposes	[●]
	Total Net Proceeds*	[●]

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. The amount utilized for general corporate purposes shall not exceed 25.00% of the Gross Proceeds.*

For further details, see “Objects of the Issue” on page [●].

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Our Promoter, Kishore Biyani, by letter dated December 16, 2024, (the “Promoter Subscription Letter”) on behalf of the Promoter Group of the Company, except Future Corporate Resources Private Limited, has confirmed and ensured the following:

- i. to subscribe to their Rights Entitlements in the Issue or renounce a portion of their Rights Entitlements in favour of the Promoters or other member(s) of our Promoter Group or in favour of existing shareholders of the Company or third party investors;
- ii. to subscribe to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and / or severally with any other members of the Promoter Group, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR, the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SEBI Takeover Regulations and other applicable laws / regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements, as applicable, or subscription to the unsubscribed portion of this Issue, shall not result in a change of control of the management of our Company. Our Company is and will be in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under the Applicable Law.

Our other Promoter, Future Corporate Resources Private Limited (“**FCRPL**”), holding only a 0.31% shareholding of our Company, has been admitted to corporate insolvency resolution proceedings (“**CIRP**”) by the Hon’ble National Company Law Tribunal, Mumbai bench (“**NCLT**”), consequent to the proceedings initiated by the Central Bank of India (“**Financial Creditor**”) against FCRPL under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”).

Further, an Interim Resolution Professional (“**IRP**”) has been appointed by the NCLT to take control of FCRPL and the erstwhile management has been suspended in accordance with the provisions of the IBC. Therefore, Mr. Kishore Biyani is unable to provide confirmation on behalf of FCRPL regarding its participation to subscribing or renouncing to the Rights Entitlements of FCRPL. However, if any such instructions are received from the IRP of FCRPL, our Company / Board shall duly consider such subscription or renouncement, as the case may be.

Summary of Outstanding Litigations and Defaults

A summary of outstanding legal proceedings involving our Company as on the date of this Draft Letter of Offer is set forth in the table below:

Nature of Cases	Number of Cases	Amount Involved* (₹ lakhs)
Litigations involving our Company		
Proceedings involving issues of moral turpitude or criminal liability	1	Nil
Matters involving material violations of statutory regulations by our Company	Nil	Nil
Economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an alleged amount exceeding the Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	2	509.44

* To the extent quantifiable.

For further details, see “*Outstanding Litigations and Defaults*” beginning on page [●].

Risk Factors

For details of the risks associated with our Company, please see the section titled “*Risk Factors*” on page [●].

Contingent Liabilities

For details of contingent liabilities for the Fiscal 2024, please see the section titled “*Financial Statements*” on page [●].

Related Party Transactions

For details of related party transactions for the Fiscal 2024, please see the section titled, see “*Financial Statements*” on page [●].

Issue of Equity Shares for consideration other than cash in the last one year

No Equity Shares have been issued by our Company for consideration other than cash during the period of one year immediately preceding the date of filing of this Draft Letter of Offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. This section describes the risks that we currently believe may materially affect our business, financial condition and results of operations. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Rights Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also materially adversely affect our business, prospects, financial condition and results of operations and cash flows. If any or some combination of the following risks, or other risks that we do not currently know about or believe to be material, actually occur, our business, financial condition and results of operations and cash flows could suffer, the trading price of, and the value of your investment in our equity shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved.

To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Financial Information” beginning on pages [●], [●] and [●] respectively, as well as the financial, statistical and other information contained in this Draft Letter of Offer. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences to you of an investment in our Rights Equity Shares.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.

Unless otherwise stated, references to “we”, “us”, “our” and “the Company” are to Praxis Home Retail Limited on a standalone basis.

Internal Risk Factors

1. Our Company has incurred losses in the past, which may adversely impact our business and financial conditions.

Our Company has incurred losses amounting to ₹ 256.45 lakhs as per Limited Review Unaudited Financial Results for the quarter and six month period ended on September 30, 2024 and ₹ 8,571.25 lakhs as per the Audited Financial Statements for Fiscal 2024. Our losses during the above-mentioned periods have been primarily due to lower revenues on account of non-availability of sufficient inventory and consequently low footfall of customers in our retail stores. The accumulated losses have resulted in erosion of net worth of the Company, which indicates material uncertainty on our Company’s ability to continue as a going concern. Our ability to operate profitably depends upon a number of factors, some of which are beyond our direct control. These factors include, but are not limited to, competition, customer taste and preferences. If we continue to incur losses, our business and the financial conditions could be adversely affected.

Further, we have not paid any dividend in the past and our ability to pay dividends in the future will depend upon various factors. There can be no assurance that we will, or have the ability to, declare and pay any dividends on the Equity Shares in the near future. The declaration, payment and amount of any future dividends are subject to the discretion of the Board and will depend upon a number of factors, including our Company's results of operations, future earnings, profitability, capital requirements for future expansions and available surplus, general financial conditions, contractual restrictions, applicable Indian law restrictions and other factors considered relevant by our Board.

2. One of our Promoters is undergoing Corporate Insolvency Resolution Process (CIRP), which may adversely affect our business, financial position and timely completion of the process relating to the Rights Issue.

One of our Promoters, Future Corporate Resources Private Limited (“FCRPL”), has been admitted to corporate insolvency resolution process (“CIRP”) by the Hon’ble National Company Law Tribunal, Mumbai bench (“NCLT”), following an application filed by Central Bank of India against FCRPL under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC”) and appointed an Interim Resolution Professional (“IRP”) to take control of FCRPL. Since the IRP has assumed control of FCRPL, the erstwhile management of FCRPL has been suspended as per the provisions of the IBC. As a result, the erstwhile management of FCRPL is restrained from taking any action concerning our Company’s affairs, including various actions related to the proposed Rights Issue. For instance, FCRPL has not independently confirmed its intention and extent of participation in this Rights Issue. Although our another Promoter – Mr. Kishore Biyani, has assured to subscribe additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, either individually or jointly and / or severally with any other members of the Promoter Group, however, such non-confirmation by IRP of FCRPL may lead to procedural delays and affect the timelines of the Rights Issue.

The uncertainty and potential financial implications arising from the CIRP could have a material adverse effect on our business, financial condition, and results of operations. Consequently, this may adversely affect the trading price of our Equity Shares and the success of the Rights Issue. Further, the erstwhile management of FCRPL shall not be capable of acting on behalf of FCRPL in consonant with Promoter Group. For example, we cannot assure that the IRP of FCRPL shall vote in the same manner in which the other persons or entities belonging to the Promoter Group vote on any matters requiring approval from shareholders. Furthermore, as a Promoter of our Company, FCRPL may be required to provide business and compliance support to us. Any non-provision of or delay in providing such support may result in penalties, fines or such other regulatory actions which may negatively impact our business operations and financial condition.

3. *Our Company and certain persons of Promoter Group are involved in certain legal proceedings, including IBC matters. Any adverse outcome in these proceedings may adversely affect our business, compliance framework, reputation and ability to explore various business resources.*

Our Company and certain persons of our Promoter Group are currently involved in various legal proceedings in India, including proceedings initiated under the Insolvency and Bankruptcy Code (IBC). These legal proceedings are pending at different levels of adjudication before various courts and tribunals. We cannot assure that these legal proceedings will be decided in our favor. We may incur significant expenses and management time in these proceedings and may have to make provisions in our financial statements, which may affect our profitability and adversely affect our financial condition.

Any adverse outcome of these proceedings could have a material adverse effect on our reputation, business, financial condition, and results of operations. Additionally, it could adversely impact our ability to explore various resources required for our business and would also impact exercise of significant influence by our Promoter Group. Such adverse outcomes could negatively affect the trading price of our Equity Shares. For further details on the outstanding litigations pertaining to our Company, refer to the chapter titled “*Outstanding Litigation and Defaults*” beginning on page [●].

4. *Our Company, our Promoters and Promoter Group were involved in certain legal proceedings initiated by the Securities and Exchange Board of India in the past. The adverse decisions in these proceedings may adversely affect our business and results of operations.*

Our Company and our Promoters were previously involved in legal proceedings initiated by SEBI. For instance, on December 12, 2019, our Company allotted 7,500 Compulsorily Convertible Debentures (“CCDs”) to one of our Promoters, Future Corporate Resources Private Limited (“FCRPL”). Upon exercising the conversion option for 3,180 CCDs of the initially allotted 7,500 CCDs, FCRPL was allotted 30,00,000 equity shares of our Company on February 11, 2020. This exercise of conversion option resulted in an increase in FCRPL’s shareholding in our Company from 1,16,82,558 Equity Shares (47.43%) to 1,46,82,558 Equity Shares (53.13%), registering a 5.71% increase as of February 11, 2020. In light of this increase in shareholding, a show cause notice dated October 19, 2022, was issued by SEBI to our Promoters and members of our Promoter Group (“Noticees”) for the violation of Regulation 3 (3) and 3 (2) read with Regulation 25 (5) of SEBI Takeover Regulations. It was alleged that since the increase in FCRPL’s shareholding in our Company post-allotment was 5.71%, FCRPL along with the Noticees (persons acting in concert) were required to make a public announcement of the open offer under Regulation 3 (3) and 3 (2) read with Regulation

25 (5) of SEBI Takeover Regulations. Since FCRPL along with other Noticees failed to make the public announcement, SEBI, vide its order dated April 28, 2023 levied a monetary penalty of ₹20 lakhs in aggregate on our Promoters and members of our Promoter Group for violating the SEBI Takeover Regulations.

In another matter, SEBI through its order dated February 3, 2021 (“**Order**”), restrained our Promoters and Promoter Group from accessing the securities markets for a specified period, alleging trading in the scrip of Future Retail Limited based on unpublished price sensitive information (“**UPSI**”). Aggrieved by the Order, our Promoters along with other noticees challenged the Order before the Securities and Appellate Tribunal (“**SAT**”). SAT, through its order dated December 20, 2023, quashed the impugned Order, stating that the UPSI relating to the demerger was already in the public domain. Therefore, the trading done by the appellants after the publication of the information cannot be considered as trading while in possession of UPSI.

Although these legal proceedings are no longer outstanding, the adverse decisions, if any, resulting from these proceedings may lead to significant expenses and management time devoted to compliance. This could increase our expenses and liabilities. Additionally, initiation of any new/ fresh proceedings in future and any adverse outcomes thereof, and their subsequent media coverage could have a significant negative impact on our reputation, business, financial condition, and results of operations. This could potentially affect the trading price of our Equity Shares.

For further details on the outstanding litigations pertaining to our Company, refer to chapter titled “*Outstanding Litigation and Defaults*” beginning on page [●].

5. *Our Statutory Auditors has included certain remarks or matters of emphasis in our Audited Financial Statements and Limited Review Unaudited Financial Results. In addition, the annexure to our Statutory Auditors’ report issued under the Companies (Auditor’s Report) Order, 2020 (“CARO”), on our Audited Financial Statements contain statements on certain matters.*

Our Statutory Auditors have included certain remarks or basis of disclaimer of conclusion or matters of emphasis in relation to our Company in our Audited Financial Statements for Fiscal 2024 and Limited Review Unaudited Financial Results for the quarter and six-month period ended on September 30, 2024. For further information, see “*Management’s Discussion and Analysis on the Financial Conditions and Results of Operations - Reservations, qualifications, matter of emphasis, adverse remarks / other observations in caro*” page [●].

There can be no assurance that any similar remarks or basis of disclaimer of conclusion or matters of emphasis will not form part of our financial statements for the future periods, or that such remarks will not affect our financial results in future. Investors should consider the remarks and matters of emphasis in evaluating our financial condition, results of operations and cash flows. Any such remarks or matters of emphasis in the auditors’ report and/ or CARO report on our financial statements in the future may adversely affect the trading price of the Equity Shares.

6. *Our business is subject to seasonal and cyclical volatility and our inability to forecast the trends and consumer preferences or demands in the forthcoming seasons may contribute to fluctuations in our results of operations and financial condition.*

We offer wide range of a wide range of furniture, home furnishing goods, kitchenware, other home related accessories and quality services including complete home design, modular kitchen, among others. We offer our products at our stores that our consumers require and our success is dependent on our ability to meet our consumers’ requirements. It is difficult to predict consistently and successfully the consumption patterns of the customers. The success of our business depends in part on our ability to identify and respond to the evolving consumption patterns in various lines of businesses that we operate in. Our success depends upon our ability to forecast, anticipate and respond to the changing customer preferences and home decor trends in a timely manner which may include designing new products or modifying our existing products in line with such changing customer preferences and home decor trends.

We plan our products based on the forecast of consumer buying patterns as well as on the forecast of home retail and trends in the forthcoming seasons. The retail consumer spending is heavily dependent on the economy and, to a large extent, on various festive occasions. Any mismatch between our forecasts, our planning and the actual purchase by customers can impact us adversely, leading to excess inventory and requiring us to resort to higher markdown and thus lower margins in order to clear such inventory. Consumer preferences are susceptible to change with change in home

retail and trends, and their service level expectations too can change from time to time.

Further, for us to remain competitive, our designers have to keep themselves abreast with the latest global trends and home decor demands and more importantly understand the requirements of the customers. In order to design our products for the various brands we distribute, we conduct data analytics and explore home decor trends to introduce new and original concepts in the market. While our design and development carries a structured approach, we cannot assure that the current portfolio of products or future portfolio of products created through future designs will be received well by our customers. This may result in a non-recovery of costs incurred on design and development, costs on distribution and lead to inventory that may not be sold or shall be sold slower than anticipated. This may have a material adverse effect on our business and results of operations. Failure to timely identify the changing patterns or effectively respond to such trends, preferences and spending patterns could negatively affect our relationship with our customers and the demand for our products.

As a result, our revenue and profits may vary during different quarters of the financial year and certain periods may not be indicative of our financial position for a full financial year or future quarters or periods and may be below market expectations. Further, any unanticipated decrease in demand for our products during our peak selling season could result into higher closing inventory position, which may lead to sale and liquidation of inventory getting delayed against the trajectory under normal course of business, which could adversely affect our financial position and business operations.

Our success depends partly upon our ability to forecast, anticipate and respond to such changing consumer preferences and trends in a timely manner. Any failure by us to identify and respond to such emerging trends in consumer preferences could have a material adverse effect on our business. Our inability to identify and recognize international and domestic trends and the risk of obsolescence could adversely affect our business and profitability. Our brand image may also suffer if customers believe we are no longer able to offer the latest design. The occurrence of these events could adversely affect our cash flows, financial condition and business operations.

7. The success of our business is dependent on our procurement systems, supply chain management and efficient logistics, and any disruption in the same may affect our business adversely.

We strive to keep optimum inventory at our stores and our warehouse to control our costs and working capital requirements. Inefficient supply chain management and wrong predictions of information technology systems could adversely affect availability of merchandise at our stores which would affect results of operations. Ensuring shelf availability for our products warrants meticulous planning since the lead times are long and requires high level of coordination between the suppliers, our warehouse and our stores.

Further, we rely on our network of suppliers to supply our products in each region where we operate. Hence, our business is dependent on maintaining good relationships with our suppliers. Furthermore, our growth as a business depends on our ability to attract additional high-quality and cost-efficient suppliers to our network. We cannot assure you that our current suppliers will continue to do business with us or that we can continue to attract additional suppliers to our network. Any inability to maintain the stability of our supply network and to attract such additional suppliers to our network will affect our ability to meet the consumer demands for our products in a timely manner and may have an adverse impact on our business, results of operations and financial condition.

Some of the furniture, furnishings and general merchandise items retailed through our stores are imported from countries like Indonesia, China, Malaysia, Thailand and Vietnam. Any inability to maintain stable supply network with suppliers in these countries or any adverse political, economic or social condition in these countries, may lead to disruption or delay in supply of goods to us, which may have an adverse impact on our business, results of operations and financial condition. Further, in the event, any anti-dumping or import duty were to be levied on such imports or vendors or imports from such countries or vendors is prohibited or restricted, the import of goods may become unviable for us or may be disrupted, which may adversely impact our operations and financial results.

8. If we are unable to enter into new leasehold or rental agreements for locations suitable for our stores, or we are unable to renew our existing leasehold or rental agreements for our current stores, it may adversely affect our expansion and growth plans.

As of November 30, 2024, we have 21 stores across 19 cities across 12 states majorly in Maharashtra, West Bengal, Karnataka, Uttar Pradesh and Andhra Pradesh. We do not own any of the premises in which our stores and distribution centres are situated, and these are operated on a leasehold/ leave and license basis. Our office premises at Mumbai is also on license basis. Our registered and corporate office is located at “2nd Floor, Knowledge House, Shyam Nagar Off Jogeshwari-Vikhroli Link Road, Near Talav, Jogeshwari East, Mumbai – 400 060”, which is not owned by our Company. Such leasehold/ leave and license basis arrangements may require renewal or escalations in rentals/ license fee from time to time during the lease/ license period.

Whilst we typically have long-term license/lease arrangements, the term of some of our license/lease arrangements will complete in the next few years. We may not be able to renew our leases or licenses on terms acceptable to us or at all. In the event that any of our leases or licenses are not renewed, and we will be required to vacate our stores, identify alternative real estate and enter into fresh lease or leave and license agreements, suffer losses in terms of existing furniture and fixtures and the cost of restoring furniture and fixtures at the new location, which could result in loss of business and may adversely affect our operations and profitability. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under these lease/ leave and license agreements and there is no assurance that we will be able to identify suitable locations to re-locate our operations. Further, for our expansion plans we need to identify new real estate locations and enter into new lease or leave and license agreements. Any failure to identify such new real estate locations may affect our expansion plans and business operations.

9. Any adverse impact on the title or ownership rights or development rights of our landlords from whose premises we operate may impede our effective operations of our stores, offices or distribution centres in the future.

Most of the premises from which we operate our stores / offices / distribution centres are taken by us on long term lease or sub-lease or leave and license and/or on the basis of other contractual agreements with third parties. We may continue to enter into such transactions with third parties. Any adverse impact on the title / ownership rights / development rights of our landlords from whose premises we operate our stores may impede our business, our operations and our profitability. The financial impact of such aforesaid risk cannot be quantified.

In the past, we have been subject to lock-in period for some of our lease agreements. In the event, we renew our lease agreements or enter into new lease agreements and such arrangements also prescribe a lock-in period or such other similar restrictions, it will prevent us from moving our stores even if there are events or circumstances that impede our profitability. Any such event and such restrictive covenants in our lease agreements affect our ability to move the location of our stores and may adversely affect our business, financial condition and results of operations.

10. We operate in a competitive market and our failure to match such competition may adversely affect our business.

The home furniture, home fashion and furnishing industry in which we operate is highly competitive and there exists competition from other domestic and international brands. A number of different competitive factors could have a material adverse effect on our operational results and financial condition including:

- i. anticipating and responding to changing customers’ demands;
- ii. to satisfy and explain properly the specialties of each product;
- iii. sourcing products efficiently;
- iv. to undertake strong and effective marketing;
- v. to provide post sell services in relation to the product bought by the customer;
- vi. to maintain our reputation in the markets in which we operates;
- vii. to increase our presence at different platform including e – retailing; and
- viii. to maintain the relationship with customers’ and our brand partners.

Some of our competitors may have more financial and human resources, better access to attractive retail store locations or closer relationships with brand partners. Competition may lead to, among other things, higher costs for retail space and lower sales per retail store, all of which could have a material adverse impact on our results of operations and financial condition and lower our profit margins.

11. Our inability or failure to maintain a balance between optimum inventory levels and our product offering at

our stores may adversely affect our business, results of operations and financial condition.

We strive to keep optimum inventory at our stores, distribution centres and warehouse for in-store as well as online sales, to control our costs and working capital requirements through our dynamic supply chain management. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively and to maintain a range of merchandise at our stores. At the same time, we aim to minimise excessive inventories which would result in higher levels of discounting. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale in our stores, distribution centres and e-commerce market places. In addition, if we underestimate customer demand for our products, we may be required to outsource the manufacture of additional quantities to third parties. Our third-party manufacturers may not be able to deliver products to meet our requirements, and this could result in delays in the shipment of products to our points of sale and may damage our reputation and customer relationships. There can be no assurance that we will be able to successfully manage our inventory at a level appropriate for future customer demand. To maintain an optimal inventory, we monitor our inventory levels based on our projections of demand as well as on a real-time basis. Unavailability of products, which are in high demand, may depress sales volumes and adversely affect our customer relationships. However, there have been no such instances of shortcoming in inventory or product offering in the preceding three Fiscals which had adverse effect on the business, result of operations and financial conditions of our Company.

If we over-stock inventory, our required working capital will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet consumer demand and our operating results may be adversely affected. Any mismatch between our planning and the actual consumption by consumers can impact us adversely, leading to potential excess inventory and requiring us to resort to higher markdown and thus lower margins, in order to clear such inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

Inventory levels in excess of consumer demand may result in inventory write – offs and the sales of excess inventory at a discounted price, which would cause our gross margin to suffer. Any write – downs or write – offs and sale of excess inventory at discounted prices could also impair the strength and exclusivity of our brands. In addition, if we underestimate consumer demand for products distributed by us, we may not be able to service the demand for the products and this may damage our reputation and consumer relationships.

12. Risks associated with the suppliers from whom our products are sourced and the safety of those products could adversely affect our financial performance.

The products sold by us are sourced from a wide variety of domestic and international suppliers. Global sourcing of many of the products, we sell is an important factor in our financial performance. All of our suppliers must comply with applicable laws, including labour and environmental laws, and otherwise be certified as meeting our required supplier standards of conduct. Our ability to find qualified suppliers who meet our standards, and to access products in a timely and efficient manner is a significant challenge, especially with respect to suppliers located and goods sourced outside of the respective states in which the stores are located. Political and economic instability in India or political instability in certain states of India in which the suppliers are located, the financial instability of suppliers, suppliers' failure to meet our supplier standards, labour problems experienced by our suppliers, the availability of raw materials to suppliers, merchandise quality issues, currency exchange rates, transport availability and cost, transport security, inflation, and other factors relating to the suppliers and the countries in which they are located are beyond our control. These and other socio economic factors affecting our suppliers and our access to products could adversely affect our financial performance.

Our customers count on us to provide them with safe products. Concerns regarding the safety of products that we source from our suppliers and then sell could cause shoppers to avoid purchasing certain products from us, or to seek alternative sources of supply for their needs. Any loss of confidence on the part of our customers would be difficult and costly to re-establish. As such, any issue regarding the safety of any items we sell, regardless of the cause, could adversely affect our financial performance.

13. We are dependent on maintaining and enhancing awareness of our brands "HomeTown" and we may not succeed in that to the extent desired.

We believe that maintaining and enhancing the effectiveness of the brands in our brands portfolio is a major contributing factor to expand our consumer base. Maintaining and enhancing our owned brands may require us to make substantial investments in areas such as outlet operations, marketing and employee training etc., and these investments may not be successful. We use various media channels to promote our brands including placing advertisements and commercials on television, newspapers, hoardings and on digital media and continue to aim at investing in marketing initiatives for brand recall, demand pull, create awareness about the product or enhance reputation of the brand. In the event marketing initiatives do not produce desired outcome, it may adversely impact business performance.

As we expand into new geographic markets, consumers in these markets may not accept our brands. We anticipate that, as our business expands into new markets and as the market becomes increasingly competitive, maintaining and enhancing our brands may become increasingly difficult and expensive. If we are unable to enhance the visibility of our brands and generate commensurate sales, it would have an adverse effect on our business and financial condition.

14. We rely on our information technology systems and third parties for procuring IT services to process transactions, summarize results and manage our business. Disruptions in both our primary and secondary (backup) systems could harm our ability to run our business.

It is critical that we maintain uninterrupted operation of our business' critical information technology systems. Our information technology systems, including our back-up systems, are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches, catastrophic events such as fires, tornadoes and hurricanes, and usage errors by our employees. If our information technology systems and our back-up systems are damaged or cease to function properly, we may have to make significant investment to fix or replace them, and we may suffer interruptions in our operations in the interim.

Any material interruption in both of our information technology systems and back-up systems may have a material adverse effect on our business or results of operations. Further, if we fail to integrate our information technology systems and processes we may fail to realize the benefits anticipated to be derived from these initiatives. Any delay in implementation, problems in transition to new systems or any disruptions in its functions may adversely impact our business operations. Further, if we are not able to obtain IT systems and services from third parties in a cost effective manner, it may affect our technology operations which may have an effect on our business operations and financial results.

In our online business, the markets for our products and services are characterized by rapidly changing technology, evolving industry standards and norms, introduction of new products and services. Our results of operations and financial condition depend on our ability to introduce new products and services. The process of developing new products and services is complex and requires us to accurately predict and respond to customers' changing and diverse needs and emerging technological trends. The success of our new products and services will depend on several factors, including proper identification of market demands and the competitiveness of our products and services and adaptation of new technologies. Our failure to respond successfully to any of these challenges will significantly harm our results of operations and financial condition.

15. Negative publicity if any, would adversely affect the value of our brand, and our sales.

Our business is dependent on the trust our customers have in the quality of our merchandise as well as on our ability to protect our trademarks and our intellectual property to maintain our brand value. If we fail to adequately protect our intellectual property, competitors may market products similar to ours. Any negative publicity regarding our Company, brands, or products, including those arising from a drop in quality of merchandise from our vendors, disputes concerning the ownership of intellectual property, mishaps at our stores, or any other unforeseen events could adversely affect our reputation our brand value, our operations and our results from operations.

16. The success of our business is dependent on our senior and key management team and our inability to retain them or the loss of any member of our senior management team could adversely affect our business if we are unable to find equally skilled replacements.

Our Company is managed by a team of professionals to oversee its operations and growth. Our performance and

success depends on our senior and key management team to manage our current operations and meet future business challenges. Our ability to sustain our growth depends, in large part, on our ability to attract, train, motivate and retain highly skilled personnel. There is significant competition for management and other skilled personnel in our industry. Our inability to hire and retain additional qualified personnel will impair our ability to continue to expand our business. The loss of the services of such personnel of our Company and our inability to hire and retain additional qualified personnel may have an adverse effect on our business, financial condition and results of operations. An increase in the rate of attrition of our experienced employees, would adversely affect our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills or to replace those personnel who leave. Further, we cannot assure you that we will be able to re-deploy and re-train our personnel to keep pace with continuing changes in our business. The loss of the services of such personnel and our inability to hire and retain additional qualified personnel may have an adverse effect on our business, results of operations and financial condition.

17. Industry information included in this Draft Letter of Offer has been derived from an industry report titled “India Home Furniture Market 2024-2029”. There can be no assurance that such third- party statistical, financial and other industry information is complete, reliable or accurate.

We have not independently verified data obtained from industry publications including Home Furniture Report commissioned by us for such purpose and other external sources referred to in this Draft Letter of Offer and therefore, while we believe them to be accurate, complete and reliable, we cannot assure you that they are accurate, complete or reliable. Such data may also be produced on different bases. Therefore, discussions of matters relating to the home furniture industry, are subject to the caveat that the statistical and other data upon which such discussions are based may be inaccurate, incomplete or unreliable. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government sources and publications are also prepared on the basis of information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions that may prove to be incorrect. Accordingly, no investment decision should be made on the basis of such information.

18. In the event our contingent liabilities that have not been provided for, materializes, our liquidity, business, prospects, financial condition and results of operations may be adversely affected.

As of March 31, 2024, the following contingent liabilities are appearing in our Audited Financial Statements:

- a) The Company has not provided for Income Tax demand excluding contingent interest of ₹ 113.80 lakhs (2023: ₹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. 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.
- c) 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 hearings have happened and the

matter is reserved for orders.

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.

In the event our contingent liabilities that have not been provided for materializes, our liquidity, business, prospects, financial condition and results of operations may be affected.

19. Our Company has in the past entered into related party transactions and will continue to do so in the future. Such transactions or any future transactions with related parties may potentially involve conflict of interest and impose certain liabilities on our Company.

We have in the past entered into transactions with enterprises over which our Directors and KMPs have a significant influence. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

Although in terms of the Companies Act and the SEBI Listing Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board of Directors and Shareholders for certain related party transactions, there can be no assurance that such transactions, individually or in the aggregate, will receive the necessary approvals in future. Accordingly, any future transactions with our related parties could potentially involve conflicts of interest, which may be detrimental to our Company. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition and cash flows. For further details of our related party transactions, see "*Financial Statements*" on page [●].

20. Our Promoters and Promoter Group will continue to have significant shareholding in us after the Rights Issue, which will allow them to exercise significant influence over us.

As on November 30, 2024, Our Promoter and Promoter Group own 3,55,04,735 Equity Shares aggregating to 26.26% of the paid-up share capital of our Company. After the completion of the Rights Issue, our Promoters and Promoter Group will continue to have significant shareholding in our Company. Accordingly, the Promoters and Promoter Group are likely to have the ability to exercise influence over various matters requiring approval by shareholders, including significant corporate transactions except for matters requiring approval through majority of minority shareholders as per the requirements of the SEBI Listing Regulations. Our Promoters and Promoter Group will be able to influence our major policy decisions. This significant influence could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in our best interests. The interests of our major shareholders could conflict with the interests of our other shareholders, including the holders of the Equity Shares, and the major shareholders could make decisions that adversely affect your investment in the Equity Shares.

21. We depend on third parties for our logistics and transportation needs. Any disruptions in the same may adversely affect our operations, business, cash flows and financial condition.

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation from our distribution centres to various retail outlets. Although we have insurance for transit of goods, it may be difficult for us to recover damages for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lock-outs, shortage of labour, delays and disruption of transportation services for events such as weather related problems and accidents. Further, movement of goods encounters additional risks such as

accidents, pilferage, spoilage, shrinkage and our inability to claim insurance may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

22. *The current location of our retail outlets and other factors impacting the malls and locations where our retail outlets are located may not continue to remain attractive.*

The success of any exclusive brand outlet depends in part on its location. We sell our products through stores, spaces and warehouse which are taken on lease. The location of such leased outlets and spaces significantly impacts our ability to attract customers, helps in our brand positioning and to carry out our operations. We select locations for our retail outlets based on research and analytics for each brand that we market taking into considering the brand positioning, economic conditions, demographic patterns etc. We cannot assure you that current locations of our retail outlets will continue to remain attractive or profitable. The quality, demographic structure and economic conditions of the location where our retail outlets are located could decline in the future, thus resulting in reduced sales in those locations. To remain asset light, a large part of our back-office operations such as warehouse and offices are taken on lease. We believe that the strength of our brand portfolio and relationships with landlords enables us to secure rented properties and spaces at favourable locations.

Further, in order to generate footfall we depend heavily on locating our retail outlets in prominent locations within successful shopping malls. Sales of these exclusive brand outlets are derived, in part, from footfall in such malls. The exclusive brand outlets benefit from the ability of a mall's other tenants to generate footfall in the vicinity of the exclusive brand outlets and the continuing popularity of the malls as shopping destinations. We incur lease rent charges primarily towards payment of rent for our leased outlets and warehouse. Our lease rent charges may increase in the future due to contractual escalation of rents payable in accordance with the lease agreements entered into by us. Further, there can be no assurance that current locations will continue to be attractive as demographic pattern changes. If we are unable to obtain alternate locations at reasonable prices our ability to affect our growth strategy will be adversely affected.

23. *Current trends of discounting and price competition could lead to consumers getting habituated to price driven purchases and reduce the attraction of brands in the minds of consumers, impacting our business operations and profitability.*

Online retailing has increased substantially in the past few years and current trends of discounting and price competition could lead to consumers getting habituated to price driven purchases. Various companies offer a wide variety of products, including the products that we retail through our outlets, on the internet at different price points. Online retailing has witnessed intense competition in India with deep discounts and regular promotions offered by several e-tailers. We may be unsuccessful in competing against present and future competitors, ranging from large and established companies to emerging start-ups, both Indian and large, multi-national, e-commerce companies operating in India. Our consumers may prefer purchasing such products from these online stores because of factors like heavy discounts and variety of products. This could adversely affect the sales at our retail outlets and could have a material adverse effect on our business, financial condition and results of operations. In the event we are required to compete with e-tailers, specifically with respect to pricing, our margins from sale of our products may be adversely affected. Increasing attractiveness of online channels for customers, driven by offers and discounts, could impact on our financial position. In the event that we are competing with e-tailers, our business prospects could be adversely affected.

24. *If we are unable to obtain the requisite approvals, licenses, registrations or permits to operate our business or are unable to renew them in a timely manner, our business or results of operations may be adversely affected.*

We are governed by various laws and regulations for carrying our business activities. Shops and establishment legislations are applicable in the states where we have our stores and distribution centres. This legislation regulates the conditions of work and employment in shops and commercial establishments and generally prescribes obligations in respect of *inter alia* registration, opening and closure of hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. Therefore, we are required to obtain registration under the

same. Further, we are also required to comply with the provisions of the Legal Metrology Act, 2009 and trade license for operating stores under the respective state legislatures in India. In addition, we may need to apply for additional approvals, including the renewal of approvals which may expire from time to time and approvals required for our operations, in the ordinary course of business.

If we fail to obtain any applicable approvals, licenses, registrations or permits, including those mentioned above, in a timely manner, we may not be able to undertake certain operations of our business, or at all, which may affect our business or results of operations. Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business or results of operations. We cannot assure that the approvals, licenses, registrations or permits issued to us may not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations or permits that have been or may be issued to us, may materially and adversely affect our business or results of operations.

25. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

We maintain insurance that we consider to be sufficient typical in our industry in India and in amounts which are commercially appropriate for a variety of risks, including fire, burglary, terrorist activities, group medical and group personal accident insurance. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our business operations, particularly if the loss suffered is not easily quantifiable. Our insurance policies contain exclusions and limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under such insurance policies. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. For further details, see the chapter titled “*Our Business*” on page [●]

The occurrence of an event for which we are not insured, where the loss is in excess of insured limits occurs or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Further, despite such uninsured losses we may remain obligated for any financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business and financial results.

26. Our business is manpower intensive and may be adversely affected if we are unable to recruit and retain suitable staff for our sales and operations.

Our business is manpower intensive and our continued growth depends in part on our ability to recruit and retain suitable staff. As we expand our network, we will need experienced manpower that has knowledge of the local market and the retail industry to operate the retail stores that we open. As of November 30, 2024, we had 395 regular and 33 contractual employees. We rely on our design team comprising of skilled designers for designing of our products such as home furniture and home fashion.

We have faced increasing competition for management and skilled personnel with significant knowledge and experience in the retail, distribution and manufacturing sector in India. Further, we cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our retail stores in our existing markets or new markets that we are entering into. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be adversely affected. In addition, we have seen an increasing trend in manpower costs in India, which has had a direct impact on our employee costs. We may need to offer better compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our operating expenses will not significantly increase.

27. Increased losses due to fraud, shrinkage, employee negligence, theft or similar incidents may have an adverse impact on us.

Our business and the industry we operate in are vulnerable to the problem of shoplifting by customers, pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our existing and future retail stores or our retail channels may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash from our retail stores to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy. Shrinkage at our stores and/or our distribution centres may occur through a combination of shoplifting by customer, pilferage by employee, damage, obsolescence and error in documents and transaction that go un-noticed and later adjusted for upon physical verification of stock with book stock. An increase in shrinkage levels at our existing and future stores or our distribution centres may force us to hire additional supply chain management personnel or additional security staff or install additional security and surveillance equipments, which will increase our operational costs and may have an adverse impact on our profitability.

28. Our operations and investments are concentrated in the Indian retail, and consumption-led sectors, involving consumer financing which exposes us to the risk of a downturn in this sector.

Our strategic focus is on the Indian retail and consumption-led sectors. As a result of this focus, during periods of difficult market conditions or slowdowns in these sectors, or any lockdowns imposed in the future due to a pandemic like situation, the decreased revenues, difficulty in obtaining access to financing and increased fixed and running costs experienced by us may adversely affect us. Although the Indian retail and consumption-led sectors have been growing rapidly in recent periods, this growth may not be sustainable in the long term and there may be periods of difficult market conditions. Interest rate fluctuations could also adversely impact the growth of the retail and consumption-led sectors. If growth in the Indian retail and consumption-led sectors were to slow or if market conditions were to worsen, we could sustain losses or may be unable to attain target returns, which would adversely impact our financial performance. In addition, demand for our retail services could decline as Indian consumers reduce their spending. Any of the foregoing would have a material adverse effect on our business, results of operations and financial condition. One of our product includes furniture and it being a big ticket merchandise, consumer finance is required for driving sale. Lack or unavailability of consumer finance for products like these can have a material adverse effect on the Company.

29. We will not distribute the Draft Letter of Offer, Letter of Offer Abridged Letter of Offer and Application Form to overseas Shareholders who have not provided an address in India for service of documents.

We will dispatch the Issue Material to shareholders who have provided an address in India for service of documents. The Issue Material will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act and the rules made thereunder with respect to distribution of Issue Material in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Material, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

30. As the securities of our Company are listed on Stock Exchanges in India, our Company and our Promoters are subject to certain obligations and reporting requirements under Insider Trading Regulations, Takeover Code and Listing Regulations. Any non-compliance / delay in complying with such obligations and reporting requirements may render us / our Promoter liable to prosecution and/or penalties.

Our Company and our Promoters are subject to certain obligations and reporting requirements under Insider Trading Regulations, Takeover Code and Listing Regulations. Though our Company and our Promoters endeavour to comply with all such obligations/reporting requirements, there have been certain instances of non-compliance and delays in complying with such obligations/reporting requirements, such as delay for submission of events by our Company

relating to initiating of corporate insolvency resolution process (“CIRP”) against the Company, appointment of resolution professional, settlement between the Company and operational creditor and withdrawal of CIRP by the NCLT, Mumbai bench. Although our Company/our Promoters have responded and explained the causes of such delays/non-compliance, there could be a possibility that penalties may be levied against our Company/our Promoters for of non-compliance and delays or failures in complying with such obligations/reporting requirements.

31. There have been instances of non-compliances/delayed compliances and discrepancies in the statutory filings in the past.

In past, there have been instances of inadvertent non-compliances / delayed compliances with the provisions of the Companies Act by our Company including delay in filing certain statutory forms with the RoC. Although till date, we have not received any show cause notice from the RoC or other authorities for the said non-compliances/delayed compliances, we cannot assure that we will not be subject to any action including levy of penalty by the RoC or other authorities.

32. The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring agency and shall be purely dependent on the discretion of the management of our Company.

Since the size of the Issue is less than ₹10,000 Lakhs, no monitoring agency is required to be appointed by our Company to oversee the deployment of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. The Board of Directors of our Company through Audit Committee will monitor the utilization of the Issue proceeds. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

33. We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations and cause our financial results to fluctuate.

Our financial statements are presented in Indian Rupees. However, some of our operating expenses and finance charges are influenced by the currencies of those countries where import of our products. We import some of our products like furniture and home décor items from other countries like Indonesia, China, Malaysia, Thailand, Vietnam, United States and Germany. During the quarter and six month period ended on September 30, 2024 and for the Fiscal 2024, our imported stocks accounted for approximately 29.23% and 22.13% respectively, of our total cost of purchase of stock-in-trade for that period. The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future.

Depreciation of the Indian rupee against the U.S. Dollar and other foreign currencies may adversely affect our results of operations by increasing the cost of our products. Volatility in the exchange rate and/or sustained appreciation of the Indian Rupee will negatively impact our revenue and operating results.

External Risk Factors

34. Economic, political or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and its securities markets are influenced by political conditions, economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising Financial Year or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of the Equity Shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatile inflation rates in India in recent years, which could cause a rise in the costs of rent, wages and raw materials; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, Financial Year or monetary policies; occurrence of natural or man-made disasters; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

Our performance and the growth of our business are dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect the policy of the Indian government towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. Any of the abovementioned factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of the Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of the Equity Shares.

35. *Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy, the health of which our business depends on.*

India has from time to time experienced social and civil unrest and terrorist attacks. These events could lead to political or economic instability in India. Events of this nature in the future could have a material adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected. India has also experienced social unrest, Naxalite violence and communal disturbances in some parts of the country. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, results of operations, financial condition and trading price of our Equity Shares.

36. *Our business and activities are regulated by the Competition Act, 2002.*

The Competition Act, 2002, as amended (the “**Competition Act**”) seeks to prevent practices that could have an appreciable adverse effect on competition. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may attract substantial penalties. Any agreement among competitors, or practice or decision in relation to, enterprises or persons engaged in identical or similar trade of goods or provision of services which directly or indirectly determines purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares markets or source of production or provision of services by way of allocation of geographical area, types of goods or services or number of customers in the relevant market or directly or indirectly results in bid rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits the abuse of a dominant position by any enterprise. Provisions of the Competition Act relating to acquisitions, mergers or amalgamations of enterprises that meet certain asset or turnover thresholds and regulations issued by the Competition Commission of India with respect to notification requirements for such combinations became effective in June 2011. Further our acquisitions, mergers or amalgamations may require the prior approval of the Competition Commission of India, which may not be obtained in a timely manner or at all.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the Competition Commission of India, any other relevant authority under the Competition Act, any claim by any party under the Competition Act or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India, our business and financial performance may be materially and adversely affected. Further the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage.

37. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. There can be no assurance that the Indian government may not implement new regulations and policies which will require us to obtain approvals and licences from the Indian government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

38. *Changes in trade policies may affect us.*

We are continuing to expand our international operations as part of our growth strategy. Any change in policies by the countries, in terms of tariff and non-tariff barriers, from which our suppliers import or export their raw materials or components, or countries to which we export our products, may have an adverse effect on our profitability. Furthermore, we import various raw materials including APIs that are not produced in-house by us, intermediates, primary packaging materials and secondary packaging materials directly from our international suppliers. Any change in export policies by the countries in which our suppliers are based may have an adverse impact on our business.

39. *Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind AS contained in this Draft Letter of Offer.*

Our Audited Financial Statements contained in this Draft Letter of Offer have been prepared and presented in accordance with Ind AS. Ind AS differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind AS and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Ind AS contained in this Draft Letter of Offer. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information and is dependent on your familiarity with Ind AS and the Companies Act. Any reliance by persons not familiar with Ind AS on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

40. *It may not be possible for investors to enforce any judgment obtained outside India against us or any of our directors and executive officers in India respectively, except by way of a law suit in India on such judgment.*

Our Company is incorporated under the laws of the Republic of India all of its directors reside in India. As a result, it may be difficult for investors to enforce the service of process upon our Company and any of our directors and executive officers in India or to enforce judgments obtained against our Company and these persons in courts outside of India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (“**Civil Code**”). Section 44A of the Civil Code provides that where a certified copy of a decree of any superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment).

A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where

the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and/ or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. The suit must be brought in India within three years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there are considerable delays in the disposal of suits by Indian courts. It may be unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it may be unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered pursuant to execution and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

41. *Rights of shareholders under Indian laws may differ from the laws of other jurisdictions.*

Our Articles of Association and Indian law govern our corporate affairs. Indian legal principles related to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as one of our shareholders than as a shareholder of a company in another jurisdiction.

RISKS RELATING TO THE EQUITY SHARES AND THIS ISSUE

42. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

43. *Applicants to the Issue are not allowed to withdraw their bids after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at

that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

44. *The Rights Entitlements of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date (i.e., on or before [●]) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

45. *Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sale of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units or share warrants may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

46. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

47. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the

ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

48. The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Managers and the Designated Stock Exchange. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

49. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

50. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and
- significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

51. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a non-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These

restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on November 11, 2024, pursuant to Section 62(1) (a) of the Companies Act, 2013.

The following is a summary of this Issue and should be read in conjunction with and is qualified entirely by, the information detailed in “*Terms of the Issue*” on page [●] .

Equity Shares proposed to be issued	Up to [●] Rights Equity Shares
Rights Entitlements	[●] Rights Equity Shares for every [●] Equity Shares held on the Record Date.
Record Date	[●]
Face value per Equity Share	₹ 5
Issue Price per Rights Equity Share	₹ [●]
Issue Size	Up to ₹ 4,958.00 lakhs* *Assuming full subscription
Equity Shares issued prior to the Issue	13,52,23,402 Equity Shares of ₹ 5 each **
Equity Shares subscribed prior to the Issue	13,52,18,184 Equity Shares of ₹ 5 each
Equity Shares paid up prior to the Issue	13,52,18,184 Equity Shares of ₹ 5 each
Equity Shares issued and subscribed after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] Equity Shares of ₹ 5 each
Equity Shares paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] Equity Shares of ₹ 5 each
Security Codes	ISIN: INE546Y01022 BSE: 540901 NSE: PRAXIS ISIN for Rights Entitlements: [●]
Use of Issue Proceeds	For details, see “ <i>Objects of the Issue</i> ” on page [●].
Terms of the Issue	For details, see “ <i>Terms of the Issue</i> ” on page [●].
Terms of Payment	The full amount of the Issue Price being ₹ [●] will be payable on application.

**Pursuant to the Scheme of Arrangement under section 230 to 232 of Companies Act, between Future Retail Limited (“FRL”) and Bluerock eServices Private Limited (“BSPL”) and our 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.

GENERAL INFORMATION

Our Company was originally incorporated on January 31, 2011 under the Companies Act, 1956 as GRN Energy Private Limited with the Registrar of Companies, Maharashtra at Mumbai (“**RoC**”). Further, the name of our Company was changed to GRN Retail Private Limited and a fresh certificate of incorporation was issued on December 21, 2016 by RoC. Furthermore, the name of our Company was changed to Praxis Home Retail Private Limited and a fresh certificate of incorporation was issued on January 5, 2017 by RoC. Thereafter, our Company was converted to a public limited company and the name of our Company was changed to Praxis Home Retail Limited and a fresh certificate of incorporation was issued by the RoC on June 21, 2017.

Registered and Corporate Office, Corporate Identity Number and Registration Number

Praxis Home Retail Limited

2nd Floor, Knowledge House, Shyam Nagar
Off Jogeshwari-Vikhroli Link Road, Near Talav,
Jogeshwari East, Mumbai – 400 060 **Telephone:** +91 22 4959 2500

E-mail: investorrelations@praxisretail.in

Website: www.praxisretail.in

Corporate Identity Number: L52100MH2011PLC212866

Registration Number: 212866

Changes in the Registered Office Address

On June 2, 2011, our registered office was shifted from 21-22, Parekh Vora Chambers, 66, Nagindas Master Road, Fort, Mumbai 400 001 to 32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai 400 004. Further, on July 20, 2017, our registered office was shifted from 32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai 400 004 to iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai 400 042. Our registered office further shifted to 2nd Floor, Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Near Talav, Jogeshwari East, Mumbai – 400 060 with effect from July 1, 2024.

Address of the RoC

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

Registrar of Companies

Registrar of Companies
100, Everest,
Marine Drive
Mumbai - 400 002

Company Secretary and Compliance Officer

Vimal Dhruve

2nd Floor, Knowledge House, Shyam Nagar
Off Jogeshwari-Vikhroli Link Road, Near Talav,
Jogeshwari East, Mumbai – 400 060

Telephone: +91 22 4959 2500

E-mail: investorrelations@praxisretail.in

Statutory Auditors of our Company

M/s Singhi & Co, Chartered Accountants

Contact Person: Ravi Kapoor
Telephone: +91 22 – 6662 5537
E-mail: ravikapoor@singhico.com
Firm registration no. 302049E
Peer Review: 014484

Independent Auditor of our Company

M/s DKMH & Co, Chartered Accountants

Contact Person: Manish Kankani
Telephone: +91 97691 68037
E-mail: manishkankani@dmkhca.in
Firm registration no. 116886W
Peer Review: 016619

Lead Managers to the Issue

Prime Securities Limited
Telephone: +91 22 61842525
Email: projectorchid@primesec.com
Investor Grievance Email: projectorchid@primesec.com
Website: www.primesec.com
Contact Person: Apurva Doshi
SEBI Registration No.: INM000000750

New Berry Capitals Private Limited
Telephone: +91 22 4881 8446
Email: mb@newberry.in
Investor Grievance Email: grievances@newberry.in
Website: www.newberry.in
Contact Person: Ankur Sharma
SEBI Registration No.: INM000012999

Statement of responsibilities

Since Prime Securities Limited and New Berry Capitals Private Limited are Lead Managers to the Issue, and all the responsibilities pertaining to co-ordination and other activities, in relation to the Issue, shall be performed by them.

Legal Advisor to the Issue

M/s. Crawford Bayley & Co.
4th Floor, State Bank Building
N.G.N Vaidya Marg, Fort
Mumbai – 400 023
Maharashtra, India
Telephone: +91 22 2266 3353

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
LBS Marg, Surya Nagar, Gandhi Nagar,
Vikhroli (West),
Mumbai – 400 083,
Maharashtra, India.

Telephone: +91 810 811 4949
E-mail: praxis.rights2024@linkintime.co.in
Investor grievance E-mail: praxis.rights2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (. For details on the ASBA process, see “*Terms of the Issue*” on page [●].

Expert

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent dated December 16, 2024 from our Statutory Auditors, M/s Singhi & Co, Chartered Accountants, to include their name in this Draft Letter of Offer and as an “expert”, as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of their reports on Audited Financial Statements and the Limited Review Unaudited Financial Results, included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

Our Company has received a written consent dated December 16, 2024 from M/s DMKH & Co., Independent Chartered Accountants, to include their name in this Draft Letter of Offer and as an “expert”, as defined under Section 2(38) of the Companies Act 2013, to the extent and in respect of the inclusion of the statement of special tax benefits dated [●], included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

Banker to the Company

HDFC Bank Limited

Ground Floor, Huma mall, LBS Marg, Kanjurmarg west, Mumbai - 400078

Contact Person: Alpita Chavan

Telephone: 9892149412/ 9321719135

E-mail: alpita.chavan@hdfcbank.com

Website: www.hdfcbank.com

CIN: L65920MH1994PLC080618

Banker to the Issue and Refund Banker

[●]

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking

hours on the dates mentioned below:

Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements[#]	[●]
Issue Closing Date[*]	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

[#]Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

^{*}Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, the Lead Managers or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see “*Terms of the Issue*” beginning on page [●].

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at www.linkintime.co.in after keying in their respective details along with other security control measures implemented there at. For further details, see “*Terms of the Issue*” on page [●].

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

Credit Rating

This being a Rights Issue of Equity Shares, the appointment of a credit rating agency is not required.

Debenture Trustee

This being a Rights Issue of Equity Shares, the appointment of debenture trustee is not required.

Monitoring Agency

Since the Issue size does not exceed ₹ 10,000 Lakhs there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI ICDR Regulation.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any

banks or financial institution or any other independent agency.

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Filing

This Draft Letter of Offer is being filed with the Stock Exchanges i.e. BSE and NSE as per the provisions of the SEBI ICDR Regulations. Further, in terms of SEBI ICDR Regulations, our Company shall file the copy of this Draft Letter of Offer with the SEBI at its office located at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India and through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, for the purpose of their information and dissemination on its website.

Minimum Subscription

The objects of the Issue do not involve financing of capital expenditure.

Our Promoter, Kishore Biyani, by letter dated December 16, 2024 (the “**Promoter Subscription Letter**”) on behalf of the Promoter Group of the Company, except Future Corporate Resources Private Limited, has confirmed and ensured the following:

- i. to subscribe to their Rights Entitlements in the Issue or renounce a portion of their Rights Entitlements in favour of the Promoters or other member(s) of our Promoter Group or in favour of existing shareholders of the Company or third party investors;
- ii. to subscribe to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and / or severally with any other members of the Promoter Group, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR, the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SEBI Takeover Regulations and other applicable laws / regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements, as applicable, or subscription to the unsubscribed portion of this Issue, shall not result in a change of control of the management of our Company. Our Company is and will be in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under the Applicable Law.

Our other Promoter, Future Corporate Resources Private Limited (“**FCRPL**”), holding only a 0.31% shareholding of our Company, has been admitted to corporate insolvency resolution proceedings (“**CIRP**”) by the Hon’ble National Company Law Tribunal, Mumbai bench (“**NCLT**”), consequent to the proceedings initiated by the Central Bank of India (“**Financial Creditor**”) against FCRPL under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”).

Further, an Interim Resolution Professional (“**IRP**”) has been appointed by the NCLT to take control of FCRPL and the erstwhile management has been suspended in accordance with the provisions of the IBC. Therefore, Mr. Kishore Biyani is unable to provide confirmation on behalf of FCRPL regarding its participation to subscribing or renouncing to the Rights Entitlements of FCRPL. However, if any such instructions are received from the IRP of FCRPL, our Company / Board shall duly consider such subscription or renouncement, as the case may be.

In terms of the SEBI ICDR Regulations, the requirement of minimum subscription of 90% is not applicable to the Issue.

CAPITAL STRUCTURE

The share capital of our Company as on date of this Draft Letter of Offer and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue is set forth below:

Particulars	Aggregate value at nominal value	Aggregate value at issue price
<i>(In ₹ lakhs, except share data)</i>		
AUTHORISED SHARE CAPITAL		
30,00,00,000 Equity Shares of ₹ 5 each	15,000.00	
6,30,000 Redeemable Preference Shares of ₹ 100 each	630.00	
TOTAL AUTHORISED SHARE CAPITAL	15,630.00	
ISSUED SHARE CAPITAL		
13,52,23,402 Equity Shares of ₹ 5 each [#]	6,761.15	
6,30,000 Redeemable Preference Shares of ₹ 100 each [@]	630.00	
SUBSCRIBED AND PAID UP SHARE CAPITAL		
13,52,18,184 Equity Shares of ₹ 5 each [#]	6,760.91	
6,30,000 Redeemable Preference Shares of ₹ 100 each [@]	630.00	
PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER⁽¹⁾		
Up to [●] Rights Equity Shares (for Eligible Equity Shareholders) of ₹ 5 each	[●]	4,958.00
ISSUED AND SUBSCRIBED SHARE CAPITAL AFTER THE ISSUE⁽¹⁾⁽²⁾		
[●] Equity Shares of ₹ 5 each	[●]	
[●] Redeemable Preference Shares of ₹ 100 each [@]	[●]	
PAID UP SHARE CAPITAL AFTER THE ISSUE		
[●] Equity Shares of ₹ 5 each [#]	[●]	
[●] Redeemable Preference Shares of ₹ 100 each [@]	[●]	
SECURITIES PREMIUM ACCOUNT		
Before the Issue		12,297.71
After the Issue		[●]

⁽¹⁾ The Issue has been authorised by our Board through its resolution dated November 11, 2024 pursuant to Section 62 of the Companies Act, 2013 and other applicable provisions.

⁽²⁾ Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.

[#] Pursuant to the Scheme of Arrangement under section 230 to 232 of Companies Act between Future Retail Limited (“FRL”) and Bluerock eServices Private Limited (“BSPL”) and 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.

*Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses.

@ Allotted to Future Enterprise Limited as shareholder of BSPL, pursuant to the Scheme of Arrangement under section 230 to 232 of Companies Act between FRL and BSPL and the Company.

Notes to Capital Structure

1. Shareholding Pattern of our Company

- i. The details of the shareholding pattern of our Company as on October 15, 2024 can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/praxis-home-retail->

<https://www.bseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=PRAXIS&tabIndex=equity> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=PRAXIS&tabIndex=equity>

- ii. The details of shareholders of our Company holding 1% or more of the paid-up capital as on October 15, 2024 can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=540901&qtrid=123.01&QtrName=15-Oct-24> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=PRAXIS&tabIndex=equity>
- iii. The details of the Equity Shares held by our Promoter and members of our Promoter Group as on October 15, 2024, including details of Equity Shares which are locked-in, pledged or encumbered can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=540901&qtrid=123.01&QtrName=15-Oct-24> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=PRAXIS&tabIndex=equity>
- iv. Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on October 15, 2024 can be accessed at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=540901&qtrid=123.01&QtrName=15-Oct-24> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=PRAXIS&tabIndex=equity>

2. Details of outstanding instruments as on the date of this Draft Letter of Offer

Praxis Home Retail Limited Share Value Appreciation Rights Plan -2018

Our Company has formulated Praxis Home Retail Limited Share Value Appreciation Rights Plan-2018 pursuant to a special resolution passed by the shareholders of our Company on September 18, 2018 (“**SVAR Plan-2018**”). The purpose of the SVAR Plan-2018 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use the SVAR Plan-2018 to retain talent working with the Company through Employee Stock Option / Stock Appreciation Rights. The Company at its Eighth Annual General Meeting held on September 21, 2019 amended the Praxis SVAR Plan- 2018 to the effect that the number of ESOPs / SARs that may be granted to the Employee(s) of the Company or of its subsidiary company(ies) under the Plan, in any financial year shall be less than 1% (one percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company, however number of ESOPs/ SARs that may be granted to any specific Employee(s) of the Company or of its subsidiary company(ies) in aggregate under the Plan may exceed 1% (one percent) of the issued equity share capital (excluding outstanding warrants and conversions) of the Company, over the tenure of the Plan

As on September 30, 2024, the details of options pursuant to SVAR Plan-2018 are as follows:

Particulars	Grant I	Grant II
Total No. of Options under the Plan		9,75,000
Options granted originally on March 27, 2019	3,07,500	1,59,000
Options outstanding but not exercised	Nil	2,500
Options exercised	Nil	Nil
Options cancelled/ lapsed*	3,07,500	1,56,500
Options outstanding and vested but not exercised#	Nil	2,500
Total Options un-granted (Pool)**		Nil

* Cancelled/lapsed due to resignation

As of September 30, 2024, vesting is for year 1 and year 2

** The Board of our Company has cancelled all ungranted options under the SVAR Plan -2018 and hence, no further grants shall be offered under the SVAR Plan – 2018

Praxis Home Retail Limited Employee Stock Option Plan – 2021

Our Company has formulated Praxis Home Retail Limited Employee Stock Option Plan – 2021 pursuant to a special resolution passed by the shareholders of our Company on December 13, 2021 (“**Praxis ESOP – 2021**”). The purpose of the Praxis ESOP - 2021 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Praxis ESOP – 2021 is to retain talent working with the Company through Employee Stock Option.

As on September 30, 2024, the details of options pursuant to Praxis ESOP – 2021 are as follows:

Particulars	Grant
Total number of options under the Plan	20,00,000
Options granted under Praxis ESOP - 2021	13,05,000
Options outstanding but not exercised	1,12,500
Options exercised	7,24,500
Options cancelled/ lapsed*	4,68,000
Options outstanding but not exercised#	1,12,500
Total Options un-granted (Pool)**	Nil

* Cancelled/lapsed due to resignation

As of September 30, 2024, vesting is for year 1 and year 2

** The Board of our Company has cancelled all ungranted options under the Praxis ESOP - 2021 and hence, no further grants shall be offered under the Praxis ESOP – 2021

Praxis Home Retail Limited Employee Stock Option Plan – 2024

Our Company has formulated Praxis Home Retail Limited Employee Stock Option Plan – 2024 pursuant to a special resolution passed by the shareholders of our Company on April 27, 2024 (“**Praxis ESOP – 2024**”). The purpose of the Praxis ESOP - 2024 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Praxis ESOP – 2024 is to retain talent working with the Company through Employee Stock Option.

As on September 30, 2024, the details of options pursuant to Praxis ESOP – 2024 are as follows:

Particulars	Grant
Total number of options under the Plan	30,00,000
Options granted under Praxis ESOP - 2024	Nil*
Options outstanding but not exercised	Nil
Options exercised	Nil
Options cancelled/ lapsed	Nil
Options outstanding but not exercised*	Nil
Total Options un-granted (Pool)*	30,00,000

* Subsequent to September 30, 2024, the Nomination and Remuneration Committee of the Board had granted 5,00,000 stock options under the Praxis ESOP-2024 on November 11, 2024.

Equity Share Warrants allotted on preferential basis by our Company

On August 3, 2023, our Company allotted 4,00,00,000 Equity Share Warrants on a preferential basis, carrying an entitlement to subscribe to an equivalent number of Equity Shares with a face value of ₹5 each. These warrants were priced at ₹16 per warrant, which includes a premium of ₹11 per warrant, amounting to a total consideration of ₹64 crores. Additionally, on May 9, 2024, our Company allotted 45,07,629 Equity Share Warrants, also on a preferential basis, carrying an entitlement to subscribe to an equivalent number of Equity Shares with a face value of ₹5 each. These were priced at ₹43.26 per warrant, including a premium of ₹38.26 per warrant, resulting in a total consideration of ₹19.50 crores.

As on November 30, 2024, the details of the outstanding warrants are as follows:

Equity Share Warrant Holder	Date of Allotment	Equity Share Warrants originally allotted	Equity Share Warrants Exercised	Equity Share Warrants outstanding
Mathew Cyriac	August 3, 2023	3,96,00,000	1,00,00,000*	2,96,00,000*
Naveen Jain	August 3, 2023	4,00,000	Nil	4,00,000
Benette Coleman & Co.	May 9, 2024	45,07,629	Nil	45,07,629

*Subsequent to September 30, 2024, Mathew Cyriac opted to convert 1,00,00,000 warrants and deposited the subscription monies with the Company. The Committee of Directors of the Company allotted 1,00,00,000 Equity Shares of Rs.5/- each on October 15, 2024.

Except share warrants mentioned above and stock options granted and outstanding under SVAR Plan – 2018, Praxis ESOP – 2021 & Praxis ESOP - 2024, as on the date of this Draft Letter of Offer, there are no other outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares or any other right, which would entitle any person to any option to receive Equity Shares.

3. Except as disclosed below, no Equity Shares held by our Promoters or Promoter Group have been locked-in, pledged or encumbered as on November 30, 2024:

Shareholder	Number of Equity Shares	Equity Shares as a percentage of total shares
Equity Shares encumbered/pledged		
Surplus Finvest Private Limited	2,36,22,048	84.07

4. Except as disclosed below, our Promoters and Promoter Group have not acquired any Equity Shares in the one year immediately preceding the date of filing of this Draft Letter of Offer with Designated Stock Exchange except the following.

Sr. No	Name of shareholder	Pre-acquisition holding	No. of Equity Shares acquired	Post-acquisition holding	Mode [^]	Date of Acquisition
1.	NIL	NIL	NIL	NIL	NIL	NIL

5. Intention and extent of participation by our Promoters and Promoter Group

Our Promoter, Kishore Biyani, by letter dated December 16, 2024 (the “**Promoter Subscription Letter**”) on behalf of the Promoter Group of the Company, except Future Corporate Resources Private Limited, has confirmed and ensured the following:

- i. to subscribe to their Rights Entitlements in the Issue or renounce a portion of their Rights Entitlements in favour of the Promoters or other member(s) of our Promoter Group or in favour of existing shareholders of the Company or third party investors;
- ii. to subscribe to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and / or severally with any other members of the Promoter Group, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR, the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SEBI Takeover Regulations and other applicable laws / regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements, as applicable, or subscription to the unsubscribed portion of this Issue, shall not result in a change of control of the management of our Company. Our Company is and will be in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under the Applicable Law.

Our other Promoter, Future Corporate Resources Private Limited (“**FCRPL**”), holding only a 0.31% shareholding of our Company, has been admitted to corporate insolvency resolution proceedings (“**CIRP**”) by the Hon’ble National Company Law Tribunal, Mumbai bench (“**NCLT**”), consequent to the proceedings initiated by the Central Bank of India (“**Financial Creditor**”) against FCRPL under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”).

Further, an Interim Resolution Professional (“**IRP**”) has been appointed by the NCLT to take control of FCRPL and the erstwhile management has been suspended in accordance with the provisions of the IBC. Therefore, Mr. Kishore Biyani is unable to provide confirmation on behalf of FCRPL regarding its participation to subscribing or renouncing to the Rights Entitlements of FCRPL. However, if any such instructions are received from the IRP of FCRPL, our Company / Board shall duly consider such subscription or renouncement, as the case may be.

6. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of SEBI SAST Regulations is ₹ [●].
7. At any given time, there shall be only one denomination of the Equity Shares of our Company.
8. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as date of this Draft Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

We intend to utilize the gross proceeds raised through the Issue (the “**Gross Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the following objects:

1. To reduce the current liabilities by repaying part of our Borrowings;
2. To reduce the current liabilities by repaying part of our outstanding trade payables;
3. General corporate purposes.
(Collectively, referred to as the “*Objects*”)

The main object clause of our Memorandum of Association enables our Company to undertake its existing activities.

Issue Proceeds

The details of the Issue Proceeds are set forth in the following table:

Particulars	Estimated Amount
Gross Proceeds*	4,958.00
Less: Estimated Issue related expenses	●
Net Proceeds	 ●

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Requirement of funds and utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details set forth in the following table:

Particulars	Estimated Amount
To reduce the current liabilities by repaying part of our Borrowings	2,300.00
To reduce the current liabilities by repaying part of our outstanding trade payables	1,500.00
General corporate purposes*	●
Net Proceeds*	 ●

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Utilization of Net Proceeds and schedule of implementation

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment of Net Proceeds Fiscal 2025
1.	To reduce the current liabilities by repaying part of our Borrowings	2,300.00	●
2.	To reduce the current liabilities by repaying part of our outstanding trade payables	1,500.00	●
3.	General corporate purposes*	●	●
	Net Proceeds**	 ● 	 ●

** The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

*** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.*

The above fund requirements are based on our current business plan, management estimates and have not been appraised by any bank or financial institution. Our Company’s funding deployment schedule are subject to revision

in the future at the discretion of our Board and will not be subject to monitoring by any independent agency. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the subsequent Fiscal Years. For further details, please see the section titled “*Risk factors - The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring Agency and shall be purely dependent on the discretion of the management of our Company*” on page [●].

In case of any increase in the actual utilisation of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds for a particular activity will be met through means available to us, including by way of incremental debt and/or internal accruals.

Means of Finance

The requirements of funds for the Objects of the Issue detailed above are intended to be funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement for it to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

Details of the Objects of the Issue

1. To reduce the current liabilities by repaying part of our Borrowings.

Our Company has entered into various financial arrangements over time which primarily involve inter corporate Deposits (ICDs) for meeting our working capital requirements and other general corporate purpose. The borrowings facilities availed by our Company include borrowing in the form of unsecured and short-term borrowings. As of November 30, 2024, we had total outstanding borrowings of ₹11,270.61 lakhs. Our Company proposes to utilise an estimated amount of ₹ 2,300.00 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain unsecured and short-term borrowings availed by our Company. The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid from the Net Proceeds are mentioned below:

Name of the Lender	Nature of Borrowing	Total Principal Amount (Rs. in lakhs}	Principal Amount outstanding as on November 30, 2024 Rs. In lakhs	Interest rate (% per annum}	Purpose of availing loan	Repayment schedule	Prepayment penalty/conditions
Cutcost Consumer Private Limited	ICD	3,350.00	3,350.00	8%	Working Capital	As per demand	No Prepayment Penalty
Sahi Trading Private Limited	ICD	500.00	500.00	12%	Working Capital	As per demand	No Prepayment Penalty
Rathod Fintrade Private Limited	ICD	500.00	500.00	12%	Working Capital	As per demand	No Prepayment Penalty
		4,350.00	4,350.00				

The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) ensuring borrowing proposed to be repaid/pre-paid are from non-related lenders, (ii) cost of borrowing, including applicable interest rates (iii), any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iv) other commercial considerations including, among others, the amount of the borrowing outstanding and the remaining tenor of the borrowings. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or prepayment of borrowings in part or full, would not exceed ₹ 2,300.00 lakhs.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness on a consolidated basis, debt servicing costs improve our debt-to-equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will

improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

If the Net Proceeds are insufficient to the extent required for making payments for such costs, such excessive amount shall be met from our internal accruals.

2. To reduce the current liabilities by repaying part of our outstanding trade payables

As on September 30, 2024, we have ₹ 8,487.02 lakhs as outstanding against our trade payables out of which we intend to pay ₹1,500.00 lakhs to trade payables other than related parties through the Net Proceeds of the Issue. Since, the outstanding trade payables cannot be met from our existing debt facilities and supplier credit, we expect the same to be met out of fresh infusion of funds by way of equity.

The following are our outstanding trade payables as on September 30, 2024:

Particulars	Total amount of outstanding
Amount due to related parties	91.95
Trade Payables other than related parties	8,395.07
Total	8,487.02

* Our Statutory Auditor, M/s. Singhi & Co, Chartered Accountants, pursuant to their certificate dated December 16, 2024 have confirmed these details of outstanding trade payables and the amount outstanding.

Out of the above outstanding as on September 30, 2024 we intend to pay ₹1,500.00 lakhs to some of the trade payables who are other than related parties from the Net Proceeds of the Issue. The selection of outstanding trade payables to be paid from the Net Proceeds shall be based on various factors, including, amongst others (i) amount outstanding to our Company; (ii) terms and conditions with such trade payables and (iii) other commercial considerations as per decision of our management. Further, considering that these trade payables, routinely provide payment credit to our Company it is possible that some of these trade payables may get paid in routine course of operations from the routine cash flow and internal accruals of the Company, such trade payables would be substituted with other trade payables and those would be paid from the Net Proceeds.

3. General Corporate Purposes

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy balance left out of the Net Proceeds, aggregating to ₹ [●] Lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds from the Issue, in compliance with the SEBI ICDR Regulations. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals / consents, as applicable.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Board will have flexibility in utilizing surplus amounts, if any.

Estimated Issue related expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of the Issue include, among others, fees of the Lead Managers, fees of the Registrar to the Issue, fees of the other advisors, printing and stationery expenses, advertising, and marketing expenses and other expenses.

The estimated Issue expenses are as under:

Particulars	Estimated expenses (₹ in lakhs)	% of Estimated Issue Expenses	% of Total Issue size
-------------	------------------------------------	----------------------------------	--------------------------

Fees of the Lead Managers, Registrar to the Issue, legal advisor, other professional service providers and statutory fee	[•]	[•]	[•]
Fees payable to regulators, including depositories, Stock Exchanges and SEBI	[•]	[•]	[•]
Statutory Advertising, Marketing, Printing and Distribution	[•]	[•]	[•]
Other expenses (including miscellaneous expenses and stamp duty)	[•]	[•]	[•]
Total estimated Issue expenses*	[•]	[•]	[•]

* Subject to finalisation of Basis of Allotment and actual Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

Appraisal of the Objects

None of the Objects for which the Net Proceeds will be utilized have been appraised by any agency.

Interim Use of Funds

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or in any such other manner as permitted under the SEBI ICDR Regulations or as may be permitted by SEBI. We confirm that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not utilize the Net Proceeds for any investment in the equity markets, real estate or related products.

Bridge Loan

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds from Issue

As this is an Issue for an amount less than ₹10,000 lakhs, there is no requirement for the appointment of a monitoring agency. The Board or its duly authorized committees will monitor the utilization of the proceeds of the Issue. Our Company will disclose the utilization of the Issue Proceeds, including interim use, under a separate head along with details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to the listing.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Draft Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. The statement shall be reviewed by the Audit Committee and our Statutory Auditor for their comments, if any, on the same. Further, in accordance with Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement including deviations and variations, if any, in the utilization of the Issue Proceeds from the Objects of the Issue as stated above.

Strategic and Financial Partners to the Objects of the Issue

There are no strategic or financial partners to the Objects of the Issue.

Key Industry Regulations for the Objects of the Issue

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

Other Confirmations

Except as disclosed above, there is no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except as disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue.

Our Company does not require any material Government and regulatory approvals in relation to the Objects of the Issue.

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors

Praxis Home Retail Limited

2nd Floor, Knowledge House,
Shyam Nagar Off Jogeshwari-
Vikhroli Link Road, Near Talav,
Jogeshwari East, Mumbai,
Maharashtra 400060.

Prime Securities Limited

1109 / 1110, Maker Chamber V,
Nariman Point, Mumbai,
Maharashtra 400021.

New Berry Capitals Private Limited

A-602, Level 6,
Marathon NextGen Innova,
Ganapatrao Kadam Marg,
Lower Parel West, Mumbai,
Maharashtra 400013.

(**Prime Securities Limited** and **New Berry Capitals Private Limited** with any other lead managers that may be appointed in connection with the issue, the “**Lead managers**”)

Dear Sirs,

Re: Statement of Special Tax Benefits available to Praxis Home Retail Limited (“the Company”) and shareholders of the Company under the applicable direct tax laws in India prepared in connection with the proposed rights issue of equity shares of face value of Rs. 5 each of the Company (the “Issue”), in accordance with the requirements of the Securities and Exchange of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”)

This Statement is issued in accordance with the terms of our letter of engagement dated December 2, 2024, with the Company.

We hereby confirm that the enclosed statement in the **Annexure I**, states the possible special tax benefits under direct tax laws i.e. Income tax Rules, 1962 as amended by the Finance Act (No. 2) 2024, i.e., applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26, as amended and presently in force in India (hereinafter referred to as “**Income Tax Laws**”), and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders.

Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement

The benefits discussed in the enclosed **Annexure I** are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We also consent to the references to us as “Experts” as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Letter of Offer “(**Offer Document**)” of the Company or in any other documents in connection with the Issue.

We hereby give consent to include this statement of special tax benefits in the Offer Documents and in any other material used in connection with the Issue.

We confirm that while providing this certificate, we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,’ issued by the ICAI.

This certificate is issued for the sole purpose of the Issue, and can be used, in full or part, for inclusion in the Offer Documents and any other material used in connection with the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, recognized stock exchanges, any other authority as may be required and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

This certificate may be relied on by the Company, Lead Manager, their affiliates and the legal counsel in relation to the Issue.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Issue commence trading on the recognized stock exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Equity Shares commence trading on the recognized stock exchanges.

Yours faithfully,

For M/s DMKH & Co.
Chartered Accountants
FRN: 116886W

CA. Manish Kankani
Partner
Membership No.: 158020
UDIN: 24158020BKALFL8686
Date: December 10, 2024
Place: Mumbai

CC:

M/s. Crawford Bayley & Co.
State Bank Building, 4th Floor
NGN Vaidya Marg,
Fort, Mumbai – 400 023
(Crawford Bayley & Co. referred to as the “**Legal Counsel**”)

ANNEXURE I

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, SHAREHOLDERS AND MATERIAL SUBSIDIARY OF THE COMPANY

The information provided below sets out the possible tax benefits available to Praxis Home Retail Limited (“the Company”) and its shareholders, under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act (No. 2) 2024, i.e., applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, as amended and presently in force in India (together, the “Direct Tax Laws”) and the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the equity shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

You should consult your own tax advisors concerning the Indian tax implications and consequences of purchasing, owning and disposing of equity shares in your situation.

a. Special tax benefits available to the Company

There are **no special tax benefits available to the Company** under the provisions of the Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

b. Special tax benefits available to Shareholders

The **shareholders of the Company are also not eligible to any special tax benefits** under the provisions of the Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The industry related information in this chapter is derived from the reports titled “India Home Furniture Market 2024-2029” dated September 10, 2024, (referred as “Home Furniture Report”) prepared by Mordor Intelligence Private Limited, except for other publicly available information as cited in this chapter. Neither we nor any other person connected with the Issue has verified the information in the Home Furniture Report or other publicly available information cited in this chapter. Further, the Home Furniture Report was prepared on the basis of information as of specific dates which may no longer be current or reflect current trends. Opinions in the Home Furniture Report may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Prospective investors are advised not to unduly rely on the Home Furniture Report.

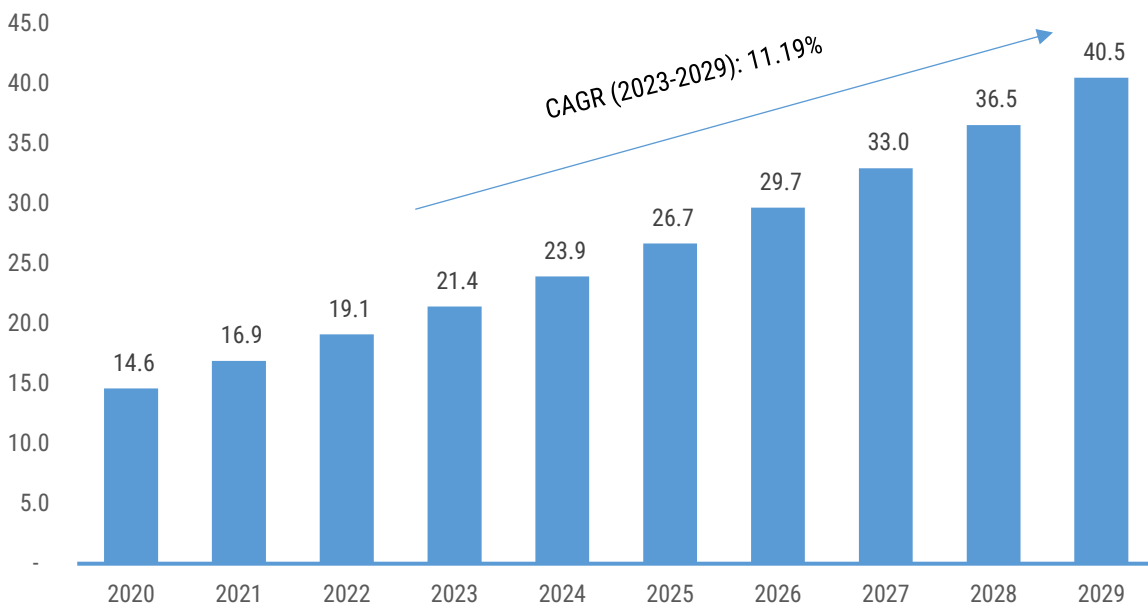
Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

MARKET INSIGHTS AND DYNAMICS OF INDIA HOME FURNITURE MARKET

MARKET OVERVIEW

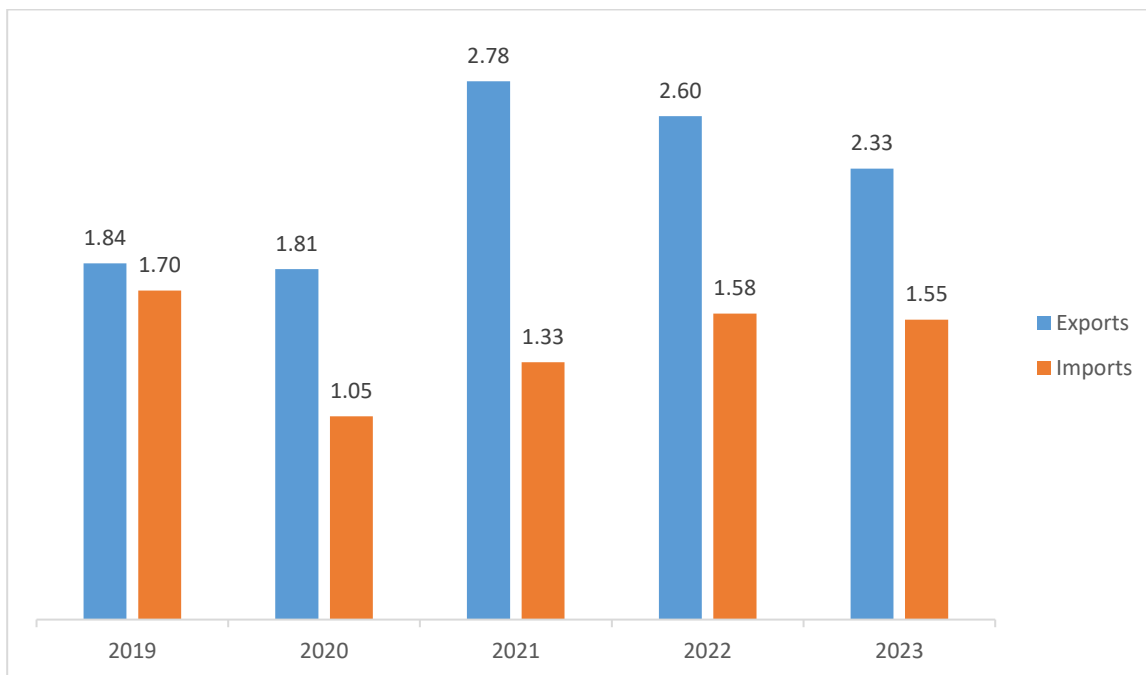
The Indian home furniture market was valued at USD 21.4 billion in 2023. In 2023, the living room furniture segment dominated the market, capturing 42.9% of the share. This was followed by the bedroom furniture segment, which captured 26.0%, and the kitchen furniture segment, which captured 15.3%. The demand for residential furniture is rising, driven by a surge in contract customer orders. Additionally, an uptick in single—and two-person households is fuelling a need for compact, portable furniture. The home furniture market in India is witnessing growth, buoyed by factors such as an expanding residential construction sector, increasing internet penetration, a growing preference for eco-friendly products, and evolving lifestyle choices.

India Home Furniture Market (USD billion), 2020–2029



India is the world's fourth-largest furniture consumer and the fifth-largest exporter. In 2023, the United States was India's primary furniture export destination, accounting for 45.74% of its total sales. This was followed by Germany (5.87%), the Netherlands (5.83%), the United Kingdom (5.15%), and France (4.86%). China dominated India's furniture imports in 2023, capturing 49.38% of the total market shares. This was followed by Italy (6.8%), Germany (6.69%), the United States (6.58%), and Malaysia (3.53%).

Furniture and Other Related Categories (Product Code: 94), Import and Export Value in USD Billion, India, 2019-2023



(Product code: 94) - Furniture; bedding, mattresses, mattress supports, cushions, and similar stuffed furnishings; luminaires and lighting fittings, not elsewhere specified or included illuminated signs, illuminated nameplates, and the like; prefabricated buildings)

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 sector in India remains inward-focused and highly fragmented, with unorganized players accounting for about 79% of the market. 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.

International interest in the Indian furniture market is growing. This was already evident in the government's 2013 approval of IKEA's INR-10,500-crore FDI proposal, which aimed to establish ten stores over the next decade with the help of associated infrastructure. Initially, IKEA announced plans to build 15 additional stores. Currently, the brand operates in Hyderabad, Mumbai, and Bengaluru, and is poised to invest approximately INR 7,000 crore to establish two stores in Gurugram and Noida, marking its entry into the National Capital Region. Looking ahead, IKEA is gearing up to unveil its next investment phase in India by the end of 2024.

MARKET DRIVERS, RETRAINTS AND OPPORTUNITIES

DRIVERS

Growth in Residential Real Estate in India

The Indian housing market is surging due to an increasing population and higher demand for affordable homes. Major cities like Delhi, Mumbai, and Kolkata are witnessing a rise in demand for affordable housing and a heightened interest in luxury options like villas, penthouses, and upscale apartments. The rise in the residential real estate sector has, in turn, bolstered the home furniture market. This surge in real estate has translated into an increased demand for home furniture, spanning from sofa sets and dining tables to beds and chairs. This trend is expected to continue in the coming years. Traditionally, Indian consumers focused on elaborate furniture mainly for their living rooms. However, with rising incomes and aspirations, this penchant for quality furnishings extends to other living spaces, including kitchens, dining areas, and bedrooms.

The Indian real estate landscape is witnessing a resurgence, with transaction volumes in significant cities surging by 45-60% annually. In FY 2023, India's residential property market hit a milestone, with home sales touching a record high value of INR 3.47 lakh crore (USD 42 billion), marking an impressive 48% year-on-year increase. The sales volume also witnessed a robust uptick, with 379,095 units sold, reflecting a 36% rise. Indian real estate developers completed building around 558,000 houses by the end of 2023, particularly in the major urban hubs. Despite challenges like high mortgage rates and property prices, 2023 witnessed a surge in demand for residential properties across the top 8 Indian cities, driven by segments ranging from mid-income to luxury.

The evolution of the housing sector and the rapid expansion of metro cities are reshaping living standards, driving a growing demand for new furniture. As urban populations increase and living spaces shrink, the need for space-efficient goods is rising. Multi-functional furniture and homewares are becoming popular, offering enhanced convenience and maximizing household space. This market growth is supported by socio-economic changes, a large young demographic with substantial disposable incomes, and a desire to improve their lifestyles.

Growing Demand for Luxury Furniture Products

An increasing focus on stylish home decor is driving consumers towards unique, designer furniture, supported by economic growth and rising incomes, especially in high-end households. The luxury furniture segment accounts for 15%-20% of India's furniture market value, with Stanley Lifestyles Ltd holding a 10% share. The Indian government's 'Make in India' initiative further boosts the organized furniture market.

Stanley, a luxury furniture brand, is experiencing 20% year-on-year growth. In June 2024, Stanley Lifestyles inaugurated its flagship store in Ahmedabad, marking its first store since going public. This store collaborates with Shivalik Group, a real estate developer. Currently, Stanley has 63 retail outlets in 24 cities and aims to increase this number to 100 stores within the next two and a half years, solidifying its position in the luxury home solutions market.

MARKET RESTRAINTS

Raw Material Challenges

Raw material costs, notably for particle boards, are approximately 25% higher in India than in China. This cost disparity directly translates to a 27% higher production cost for Indian furniture. The elevated costs in

India stem from challenges such as the limited availability of certified wood, insufficient commercial forestation practices, and higher import expenses.

The Dominance of the Unorganized Sector:

India's furniture market is predominantly led by its unorganized sector, which accounts for nearly 75% of the total sales. This unorganized segment, characterized by a lack of standardization, inconsistent pricing, and limited technological adoption, faces hurdles in growth and competitiveness. Additionally, the absence of industrial regulations and limited export potential compound these challenges.

MARKET OPPORTUNITIES

Innovation and Aesthetics

New-age startups and brands are transforming the furniture value chain in India by introducing technological and process innovations from production to delivery. They are also focusing on ready-made, low-maintenance, and customizable furniture to meet modern preferences. The growth of the middle and upper-middle classes has driven demand for better quality and sophisticated furniture. A new aspirational class, well-traveled and informed, views furniture as both a utility and a lifestyle statement, increasing demand for premium furniture. Today's customers prioritize aesthetics, quality, and comfort over price, creating opportunities for design-led furniture firms, especially those previously hindered by the unorganized market.

Growing Adoption of Local Furniture Products

India's ambition to become a global manufacturing hub is reflected in initiatives like 'Make In India' and 'Vocal for Local,' which support the manufacturing sector, including furniture production. The government aims for the manufacturing sector to contribute 25% to the GDP by 2025, in line with the 'Make in India' vision. The 'Vocal for Local' sentiment has led many Indians to prefer Indian-made products over Chinese alternatives, including furniture. Companies like Jaipur's Wooden Street are capitalizing on this trend by offering locally sourced, customized furniture, managing production in-house, and operating delivery centers in over 100 cities.

Increasing Export Potential of India Furniture

The furniture sector in India is a cornerstone of the economy, playing a significant role in the 'Make in India' initiative. While the government promotes domestic furniture manufacturing, exporters are capitalizing on disruptions in the China-centric supply chain, making significant inroads into multiple foreign markets. These dynamics are set to elevate many mid-sized furniture firms into more prominent players and present opportunities for new entrants who can align with and capitalize on emerging market trends.

INSIGHTS INTO LATEST TRENDS AND INNOVATIONS IN THE MARKET

Digitalization Shapes Furniture Preferences and Purchases

Smart Integration: The rise of smart devices, internet connectivity, and voice assistants is influencing furniture design. Consumers now seek furniture with features like USB ports, Bluetooth, cloud controls, and voice assistant compatibility. Brands are responding with high-tech additions such as wireless chargers, app-controlled lighting, and voice-activated storage beds.

AR and VR: Augmented Reality (AR) and Virtual Reality (VR) are revolutionizing the industry by allowing customers to virtually design rooms, visualize furniture, and scan spaces in real time to preview purchases. AR also helps designers overlay virtual objects in natural settings to assess scale, design, and color.

Experience Centers

Bangalore, India's IT hub, sees a surge in demand for Italian-inspired home and kitchen furniture. Lecco Cucina opens its second experience center in HSR Layout, showcasing Italian-design modular kitchens and wardrobes in a 1500-square-foot space.

BOSKY Interior, a leading East India design firm, inaugurated experience center near Kolkata, aiming to expand further and solidify its position as Kolkata's premier interior designer. BOSKY's modern center showcases various products, from modular kitchens to living room designs, with professional consultants ensuring customer satisfaction and reflecting the company's commitment to customer-centric service.

Multifunctional Furniture

As living costs rise, the appeal of multifunctional furniture, which reduces the need for numerous items, grows. During the pandemic, there was a notable uptick in demand for furniture with multiple uses. Consumers opt for office chairs that double as recliners or work desks that transform into dinner tables, maximizing the value of their investments, especially with the rising trend of remote work.

Responding to the demand for space-saving solutions, brands are introducing innovative products like Murphy beds, foldable workstations, and convertible coffee tables. These cater not only to compact urban homes but also to the growing trend of tiny homes, enabling the creation of versatile, multipurpose rooms.

INSIGHTS ON RECENT DEVELOPMENTS (NEW ENTRANTS, PARTNERSHIPS, JVS, M&A, INVESTMENT, EXPANSION, ETC.) IN THE MARKET

Month	Recent Developments
In July 2024	Pepperfry's Woodsworth division introduced its latest furniture line, "Serengeti - The Spirit of Safari". Drawing inspiration from Africa's vibrant tribal motifs, this collection offers a glimpse of the continent's rich artistry.
In May 2024	HTL Group, a furniture manufacturer, announced its plans to manufacture global brands, like Domicil and Fabbrica from Germany and Corium Italia from Italy, in India by the end of 2024. Currently, Singapore-based companies import these brands to the Indian market. Domicil's sofas are set to be the first locally produced product.
In March 2024	Relso, India's leading furniture cloud factory, secured an investment worth USD 840,000, co-led by Ventures Catalysts and Inflection Point Ventures.
In February 2024	iFUR announced a massive INR-100-crore investment over three years to establish 100 new stores across India. The first five stores are slated to be opened by the end of 2024, with locations in Gurgaon, Bangalore, Hyderabad, Mumbai, and Pune. Some of these stores will be operated by local partners.
In January 2024	IKEA expanded its e-commerce deliveries to new pin codes across 62 districts in Maharashtra, Karnataka, Telangana, and Andhra Pradesh.
In September	BoConcept, a renowned Danish furniture chain, recognizes India as one of its fastest-growing markets. With eight stores in six locations, the brand now eyes tier-II cities to cater

Month	Recent Developments
2023	to the rising demand for its contemporary offerings.
In March 2023	Urban Ladder plans to increase its stores to 100 by March 2024.

BRIEF INSIGHTS INTO THE HOUSING MARKET IN INDIA

India's real estate market is expected to grow significantly, reaching a value of USD 5.8 trillion by 2047, up from its current 7.3% GDP contribution. The sector has attracted substantial foreign direct investment, with USD 60.53 billion invested between April 2000 and March 2024. The government's 'Housing for All' initiative aims to attract USD 1.3 trillion in investments by 2025.

The residential property market in India hit a record high in FY 2023, with home sales reaching INR 3.47 lakh crore (USD 42 billion), marking a 48% year-on-year increase. Despite challenges, demand for residential properties surged in top cities, driven by mid-income, premium, and luxury segments. Luxury real estate, particularly in locations like Goa, is witnessing a boom, fueled by demand from affluent millennials and non-resident Indians.

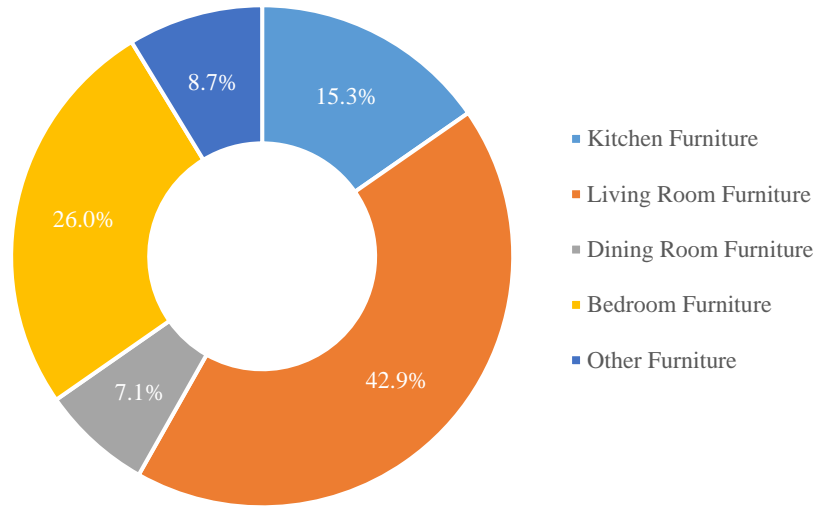
The luxury segment has seen significant growth, with sales increasing by 83% and homes priced at INR 1 crore and above accounting for 41% of total sales in H1 2024. Mumbai, NCR, and Bengaluru accounted for 59% of total residential sales, with Mumbai retaining its position as the leading residential market. However, sales in the affordable housing segment have remained stagnant, with demand for luxury properties growing amidst a strong economy and interest from affluent investors.

Residential Property Sales in Units, by City, India, Q2 2023 – Q1 2024

Market	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Mumbai	20,498	22,308	23,765	23,743
NCR	14,722	13,981	15,907	15,527
Bengaluru	12,857	13,169	14,630	13,133
Pune	11,302	11,302	14,517	11,832
Hyderabad	7,055	8,325	9,200	9,550
Ahmedabad	3,757	4,108	4,023	4,673
Chennai	3,500	3,870	3,900	3,950
Kolkata	3,823	3,772	3,903	3,937
Total	77,514	82,612	89,845	86,345

INDIA HOME FURNITURE MARKET - MARKET SEGMENTATION (MARKET SIZE AND FORECAST) BY PRODUCT

India Home Furniture Market Share (%) – By Product – 2023



India Home Furniture Market by Product (USD billion) 2020 – 2029

PRODUCT	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	CAGR (%) (2023-2029)
Kitchen Furniture	2.2	2.6	2.9	3.3	3.7	4.1	4.6	5.2	5.8	6.4	11.82%
Living-room Furniture	6.5	7.4	8.3	9.2	10.2	11.4	12.6	14.0	15.5	17.1	10.95%
Dining-room Furniture	0.9	1.1	1.3	1.5	1.7	2.0	2.2	2.5	2.8	3.2	12.88%
Bedroom Furniture	3.9	4.5	5.0	5.6	6.1	6.8	7.5	8.2	9.0	9.8	9.98%
Other Furniture	1.1	1.3	1.6	1.9	2.1	2.4	2.7	3.1	3.5	3.9	13.23%

Kitchen Furniture

The kitchen furniture segment in India was valued at USD 3.3 billion in 2023 and is expected to reach USD 6.4 billion by 2029, growing at a CAGR of 11.82%. Despite the rise of fully furnished apartments, demand for kitchen furniture remains robust due to Indian customers' preference for customizing their kitchens.

Traditional kitchen layouts in India are giving way to modern modular kitchens with innovative, space-saving solutions. Indian homeowners are embracing metal-based kitchen furniture for its longer life cycle and premium aesthetic. The market is currently dominated by unorganized players, but there is a shift towards branded modular kitchens, driven by the aspiration for a contemporary lifestyle.

Design preferences in Indian kitchens are evolving, with a rising interest in lacquered glass, handleless kitchens, and European luxury designs. Key players in the market, including Godrej, Style Spa, HomeTown, and IKEA, are tailoring their product offerings to meet the diverse needs of Indian consumers.

The market is expected to grow significantly, with monthly sales exceeding 10,000 units and a projected tenfold increase in sales over the next four years.

Living Room & Dining Room Furniture

The living-room furniture segment accounted for a value of USD 9.2 billion in 2023. It is estimated to reach USD 17.1 billion by 2029 with a CAGR of 10.95%. The Dining-room Furniture segment accounted for a value of USD 1.5 billion in 2023. It is estimated to reach USD 3.2 billion by 2029 with a CAGR of 12.88%

The Indian home furniture market is dominated by bedroom furniture, closely followed by living room furniture, which encompasses diverse items like coffee tables, sofas, and TV stands, with leading manufacturers gravitating towards minimalist designs. Meanwhile, dining room furniture is driven by the importance of family mealtime and the need for versatile, adaptable dining spaces that serve multiple functions beyond dining.

Bedroom Furniture

The bedroom furniture segment accounted for a value of USD 5.6 billion in 2023. It is estimated to reach USD 9.8 billion by 2029 with a CAGR of 9.98%

The growing popularity of smart homes is driving demand for apartments, with a focus on functional and stylish furniture. Bed units with built-in storage and bunk beds with added storage are gaining popularity, while parents invest in trendy kid's beds that foster development. Indian bedrooms now emphasize sleep quality and aesthetics, with headboard design becoming a focal point, offering multifunctional features and blending traditional luxury with contemporary flair. Wooden accents enhance bedroom designs, while middle-class bedrooms prioritize simplicity and space-saving innovations like beds with storage and foldable wardrobe doors. Grey tones and lighter hues dominate the bed color palette, with key players including Usha, Damro, Style Spa, HomeTown, and IKEA.

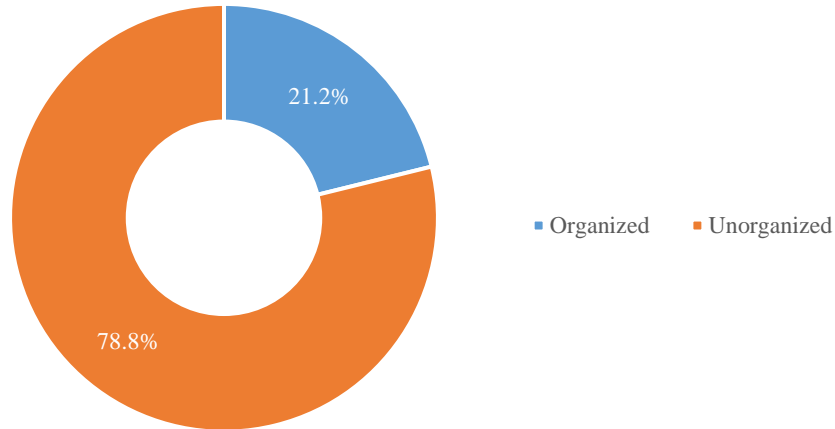
Other Furniture

The other furniture segment accounted for USD 1.9 billion in 2023. It is estimated to reach USD 3.9 billion by 2029 with a CAGR of 13.23%.

Outdoor furniture, such as rattan chairs, leisure chairs, and bamboo chairs, is gaining popularity in the Indian home furniture market. Rattan and leisure chairs dominate the segment, with demand extending beyond leisure spots and residential areas to private homes, particularly those with gardens, rooftops, and terraces. As consumers seek to maximize home space, custom-made furniture is on the rise, with many opting for personalized and fashionable designs featuring tooled leather, special fabrics, or unique patterns, especially in major cities. This trend reflects the growing desire for unique and functional outdoor spaces that blend style and comfort.

BY TYPE OF MARKET

India Home Furniture Market Share (%) – By Type of Market – 2023



India Home Furniture Market by Type of Market (USD Billion) 2020 – 2029

TYPE OF MARKET	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	CAGR (%) (2023-2029)
Organized	2.9	3.4	3.9	4.5	5.1	5.8	6.6	7.4	8.3	9.3	12.80%
Unorganized	11.7	13.5	15.2	16.9	18.8	20.9	23.1	25.6	28.2	31.1	10.74%

Organised

The organized segment accounted for USD 4.5 billion in 2023. It is estimated to reach USD 9.3 billion by 2029 with a CAGR of 12.80%

India's furniture sector, contributing 0.5% to GDP, has potential for greater organization. Key players like Godrej & Boyce, Style SpA, and Praxis Home Retail, along with online retailers Pepperfry and Urban Ladder, are gaining traction. Consumers increasingly purchase dining tables and couches online in bulk, with furniture retail experiencing a milder 40% de-growth compared to other sectors.

The pandemic has led to opportunities for organized players like IKEA and Godrej Interio, while online furniture market players like Pepperfry and Urban Ladder have seen a 40% CAGR over five years. The market is divided into horizontal and vertical platforms, with players like Livspace offering solution-based services and Godrej Interio innovating products for the work-from-home trend. Smaller players like HomeLane and Foyr focus on design solutions, but may need partnerships or mergers to scale up amidst a competitive landscape.

Unorganised

The unorganized segment accounted for USD 16.9 billion in 2023. It is estimated to reach USD 31.1 billion by 2029 with a CAGR of 10.74%.

India's furniture market is characterized by a large number of small, local players, resulting in a fragmented and unorganized sector. This fragmentation is attributed to various factors, including high offline rentals and the difficulty of aligning national supply and demand. As a result, the market lacks prominent national

brands, and domestic furniture manufacturing is also fragmented, with many products like doors and windows being crafted on-site by individual carpenters.

The unorganized sector poses a significant challenge to established players, as they offer low-cost products that erode revenues and undercut branded furniture prices through local shops. Additionally, the industry faces hurdles like high prices for quality, durable furniture, exacerbated by the costs of materials like wood and leather.

Kerala has emerged as a critical hub for furniture manufacturing, with an abundance of raw materials and a skilled labor force. To support the sector, the state government has sanctioned five furniture clusters as part of its industrial policy, aiming to address challenges, implement interventions, and chart a strategic path forward.

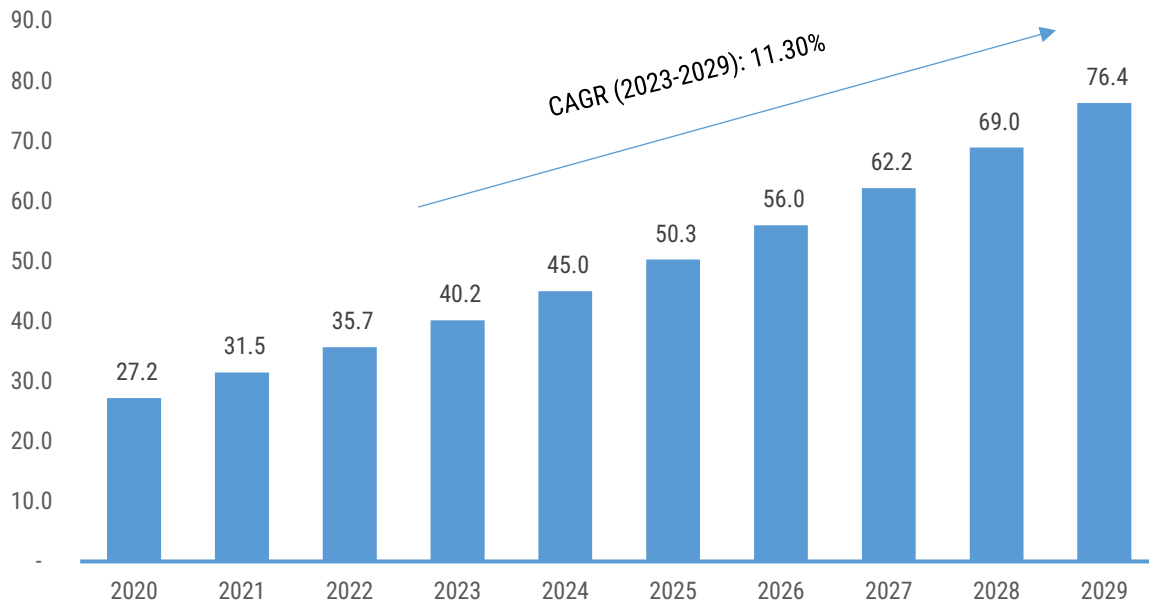
The entry of international giants like H&M into the Indian furniture market has intensified competition, posing a significant threat to established players like IKEA. H&M's foray into the market aligns with India's 30% local sourcing mandate, a prerequisite for foreign single-brand retailers operating in the country. This move may challenge IKEA's dominance and force other players to adapt to changing market dynamics.

India Home Furniture Market by Distribution Channel (USD Billion) 2020 – 2029

<i>TYPE OF MARKET</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>CAGR (%) (2023-2029)</i>
DISTRIBUTION CHANNEL	11.6	13.2	14.8	16.4	18.2	20.2	22.3	24.6	27.1	29.8	10.45%
Specialty Stores	1.0	1.2	1.4	1.7	1.9	2.1	2.4	2.7	3.1	3.5	13.06%
HOME CENTERS	0.5	0.7	0.9	1.2	1.4	1.7	2.1	2.5	3.0	3.6	20.15%
ONLINE	1.5	1.8	1.9	2.1	2.4	2.6	2.9	3.1	3.4	3.6	8.99%

INDIA HOMEWARE MARKET (INCLUDES FURNITURE) (MARKET SIZE, TRENDS AND FORECAST) (2020-2029)

India Homeware Market (Includes Furniture) (USD Billion) 2020-2029



Over the last few decades, the residential real estate industry's boom has propelled the homeware market. Traditionally, Indian consumers focused on elaborate furniture and furnishings primarily in the living room – the space reserved for entertaining guests. However, as aspirations and incomes have grown, spending patterns have shifted. Homeware is a burgeoning category in India's retail landscape, boasting a 25-30% annual growth rate. Globally, from traditional to modern societies, homeware has always been a significant product category. India, too, has seen a notable shift in its consumer base, with men now equally engaged in homeware purchases.

Homeware and home furnishing stores, offering extensive variety, dominate the market. Many consumers prefer to physically inspect products before purchasing, favouring brick-and-mortar stores or direct sellers. Multi-functional homewares are gaining traction, offering enhanced convenience and maximizing household space. Brands like Chumbak, Masper, and Tangerine, known for their contemporary appeal, are expanding their presence nationwide.

The Government of India's "Housing for all by 2022" initiative aims to construct over 30 million new homes by 2030. This will undoubtedly bolster the demand for home textiles, furnishings, decor, and houseware, which grow at 25% annually. Leading retailers, brands, and manufacturers corroborate these trends.

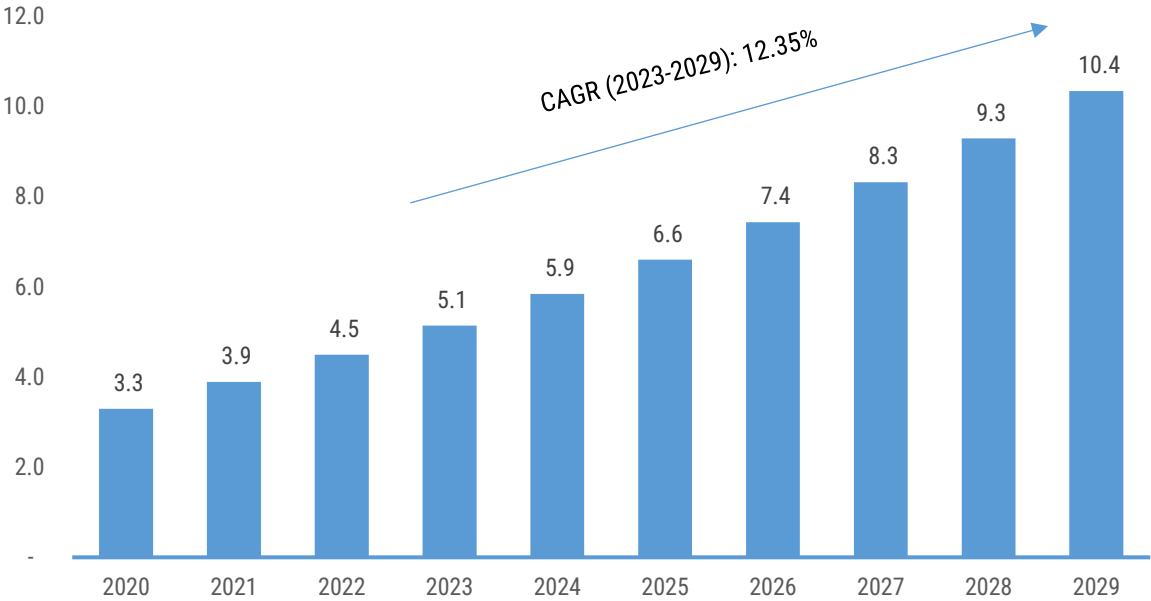
The trend of online food ordering is gaining momentum in India, posing a potential challenge to houseware sales. Meanwhile, global retailers like IKEA and Williams-Sonoma are expanding their presence in India, offering a wide range of products including kitchenware and tableware. TTK Prestige, a key player in homewares, is venturing into the organized dining tableware market.

India's consumer market is growing rapidly, with a 12% year-on-year increase in spending, making it poised to become the world's 5th largest consumer market by 2025. However, the country still relies on imports to meet houseware demand due to limited production. Fashion brands like Zara and Armani are recognizing the potential of the homeware industry and entering this space.

Walmart Inc. plans to triple its exports from India to USD 10 billion by 2027, underscoring its intent to source from various categories, including homeware. India is already a significant sourcing market for Walmart, with exports totaling around USD 3 billion.

INDIA DESIGN AND BUILD INDUSTRY (MARKET SIZE, TRENDS AND FORECAST) (2020-2029)

India Design and Build Industry (USD Billion) 2020-2029



The demand for trained interior designers is rising in India, driven by changing perceptions of homes as reflections of their owners' personalities and the recognition of interior design as a science that can enhance productivity in workplaces. Interior decorators and designers in India offer a broad spectrum of services, including interior decoration, furniture, and residential architecture.

The "design and build" approach, where a single agency handles both design and execution, is gaining popularity in India, transforming the construction landscape. This model has already gained traction globally, with 85% of interior fit-out projects following this approach.

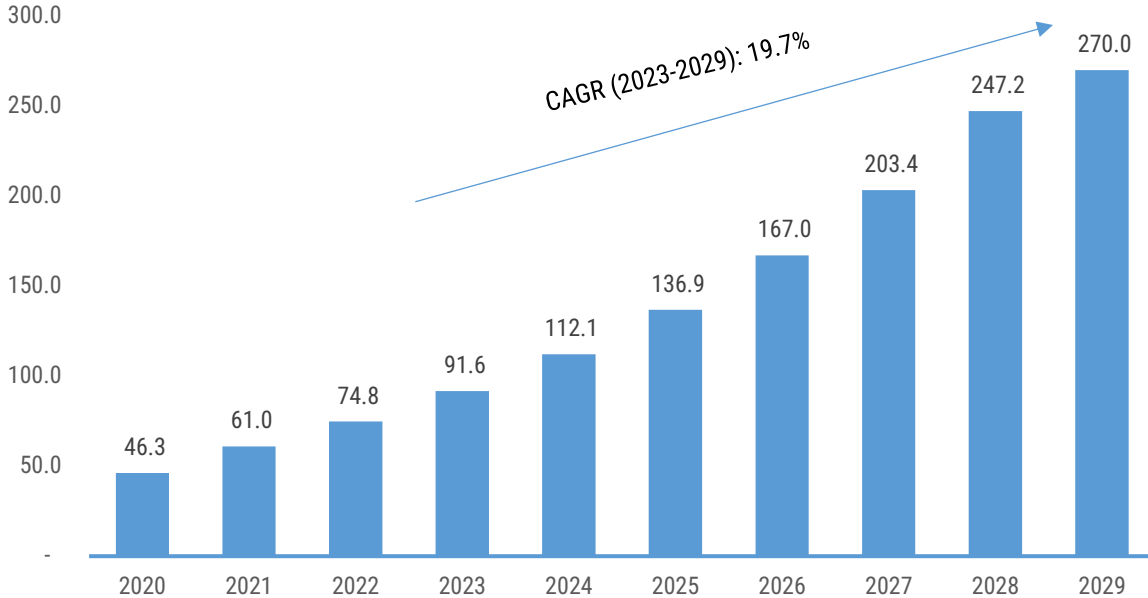
India's construction firms are evolving by adopting the "design and build" model, with project management consultancies, architectural firms, and interior vendors expanding into design and build services. The corporate interior turnkey market is witnessing accelerated growth as design firms enhance their execution capabilities and interior contractors improve coordination with vendors.

With India's urban population projected to grow significantly by 2050, architects and urban planners are recognizing the potential of repurposing underutilized urban spaces, driven by a shift towards socio-economic solutions rooted in circular economics. Technology, including virtual and augmented reality, is playing a pivotal role in architecture, while the market is witnessing a surge in demand for green buildings and the adoption of new technologies like 3D printing, Geographic Information Systems (GIS), Building Information Modelling (BIM) and Big Data solutions.

The construction sector is a cornerstone of India's economy, employing over 40 million people and driven by factors like population increase, urbanization, and rising disposable incomes. Notable architects and builders in India include Hafeez Contractor, DSP Design Associates, Sanjay Puri Architects, Brigade Group, Godrej Properties, and Salarpuria Sattva.

INDIA E-COMMERCE MARKET (MARKET SIZE, TRENDS, AND FORECAST) (2020-2029)

India E-Commerce Market (USD Billion) 2020-2029



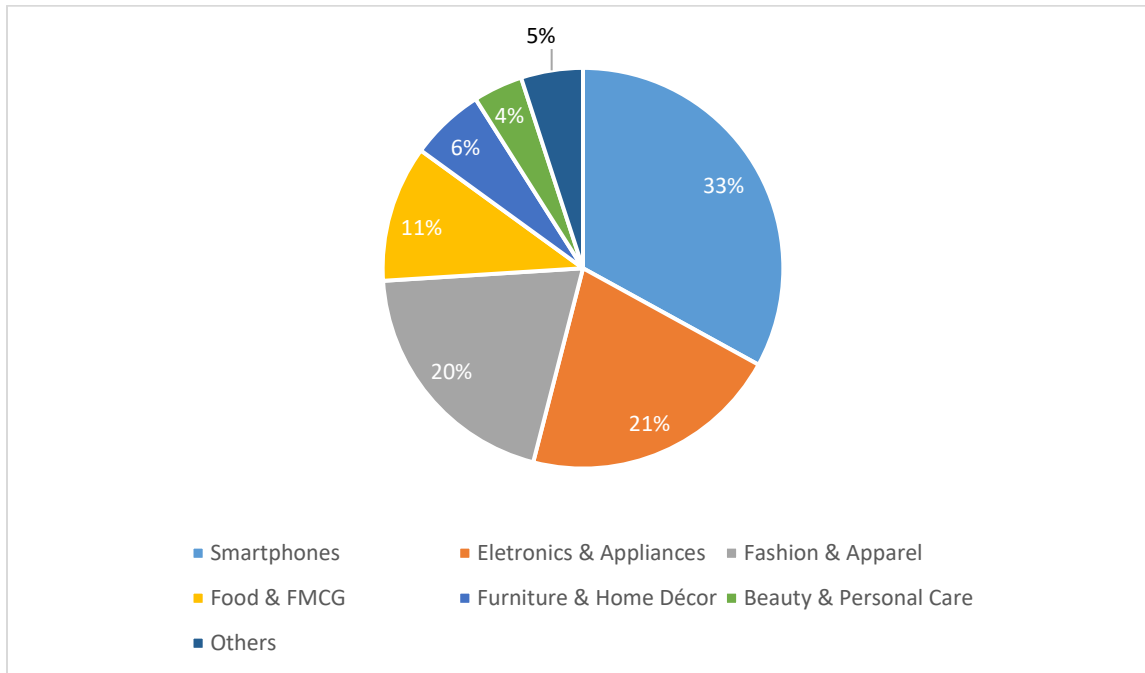
India's e-commerce sector is growing rapidly, with projections indicating that the number of internet users will exceed 1.6 billion by 2050. In 2022, India became the world's second-largest online market, driven by increased smartphone adoption, a rising affluent consumer base, and a heightened reliance on online platforms. India is the world's second-largest market for active internet users, with over 820 million users as of March 2024, with an 8% annual increase in internet penetration in 2023.

The 'Digital India' initiative aims to turn the nation into a trillion-dollar online economy by 2025, with 125 million online shoppers already present and an additional 80 million projected to join by 2025. While major metropolises lead in online shopping numbers, e-commerce is increasingly drawing patrons from tier II and tier III cities.

By 2022, 55% of India's internet connections were concentrated in metropolitan regions, with a striking 97% being wireless. The nation's smartphone user base is set to hit the 1 billion mark by 2026, further bolstering the digital landscape. Projections indicate that India's digital sector could reach a valuation of USD 1 trillion by 2030.

This surge in internet users, smartphone adoption, and revenue growth has significantly propelled India's e-commerce landscape, reshaping the nation's business dynamics and paving the way for diverse transaction models, including business-to-business (B2B), direct-to-consumer (D2C), consumer-to-consumer (C2C), and consumer-to-business (C2B) interactions.

Leading E-commerce Segments, Market Share (%), India, 2022



Industry Outlook

The Indian home furniture market was valued at USD 21.4 billion in 2023. It is expected to reach USD 40.5 billion by 2029, registering a CAGR of 11.19% during the period of 2023-2029.

India, as one of the world's largest developing economies, has seen its home-furniture market flourish, propelled by urbanization, a sizable youth demographic, and the aspirations of a burgeoning middle class.

While the economy rebounds, factors like a notable urbanization surge, shifting consumer demographics, rising disposable incomes, and an uptick in home renovation spending are set to drive sustained demand for home furnishings in the medium to long term.

Notably, as India's home furniture sector experiences robust growth, bolstered by increased investments in infrastructure and a growing preference for aesthetically pleasing furniture solutions, the industry outlook remains promising.

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page [●], for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages [●] and [●], respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Limited Review Unaudited Financial Results and Audited Financial Statements.

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 of November 30, 2024, HomeTown has a pan India presence with 21 stores, across 19 cities in India. Our Company also operates a web portal for online sale of our products through the website 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 Promoters, management team, and motivated workforce

Our business is consumer driven. Our Promoter Kishore Biyani brings to our Company his vision and leadership which has been instrumental in our success. 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 behaviour 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. 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 centres, city distribution centres and the central warehouse ensure that the products reach the consumers, safely and timely. As on November 30, 2024, we have 7 distribution centres with pan India coverage and 1 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 in-house platform.

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.

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. We have been operating this website and have established a sizeable foothold in the online furniture space. Our e-commerce website 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 November 30, 2024, we are operating with 21 stores across 19 cities across 12 states 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;
- upgrading our distribution centres to improve the efficiency of our inventory and supply management. We will continue to expand and 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 November 30, 2024, we had 395 regular and 33 contractual employees 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) and Kitchen appliances. 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 a great value proposition to the customer.

OUR STORES AND WAREHOUSES

As of November 30, 2024, we operate our business through 21 stores across 19 cities across 12 states. 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.

City / Town wise stores and its numbers

City	Stores	City	Stores
Ahmedabad	1	Mumbai	1
Aurangabad	1	Mangalore	1
Bengaluru	1	Nagpur	1
Bhubaneshwar	1	Patna	1
Chennai	1	Pune	1
Guwahati	1	Vijayawada	1
Hyderabad	1	Visakhapatnam	1
Kolkata	3	Raipur	1
Lucknow	1	Patna	1
Nasik	1		

City / Town wise Distribution Centres / Warehouses and their numbers

City	Type	Number
Nagpur	Central Warehouse	1
Bhiwandi	Distribution Centre	1
Kolkata	Distribution Centre	1
Visakhapatnam	Distribution Centre	1
Patna	Distribution Centre	1
Guwahati	Distribution Centre	1
Siliguri	Distribution Centre	1
Bhubaneshwar	Distribution Centre	1

OUR PROCESS AND MARKETING APPROACH

Our marketing efforts are focussed 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 focussed on customer acquisition through sales and product promotions, and on customer retention through personalised 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, 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 of this Draft Letter of Offer, our Company has registered 14 trademarks under the Trade Marks Act, 1999.

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 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.

Our online store www.hometown.in is built on a custom solution developed on Shopify.

HUMAN RESOURCES

Human Resource is one of the critical support functions and forms another key element of the corporate backbone. As of November 30, 2024, we had 395 regular and 33 contractual employees located at head office and retail stores across the Country, with additional persons working on contractual basis.

Our dedicated HR team is focused on talent acquisition, employee retention, and skill development to ensure alignment with the company's strategic goals. We are committed to fostering a culture and work environment that enables our people to leverage their skills, knowledge, and leadership abilities in a collaborative effort to serve our customers at all times. We also offer various incentive programs at the store level to encourage and reward employee performance, thereby boosting morale. We firmly believe in providing equal opportunities for growth and development within the company. Internal talent is given priority when filling vacancies. Our comprehensive onboarding process, seasonal product training, and annual career progression programs are complemented by ongoing behavioural, technical, and functional training sessions throughout the year.

INSURANCE

We have insured our 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, DNO policy, group personal accident policy, group life insurance policy, and medi-claim policy.

OUR MANAGEMENT

OUR BOARD OF DIRECTORS

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than three Directors and not more than fifteen Directors. As on the date of this Draft Letter of Offer, our Board comprises of 6 (six) Directors, of which 1 (one) director is designated as ‘CEO & Whole-time Director’, 3 (three) are Non-Executive Independent Directors including 1 (one) Independent Women Director and 2 (two) are Non-Executive Non-Independent Directors. The composition of the Board and the various committees of the Board are in conformity with the Companies Act, 2013 and SEBI Listing Regulations.

The following table sets forth the details regarding our Board as on the date of this Draft Letter of Offer:

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other Directorships
1.	<p>Ashish Bhutda</p> <p>Address: C-1106, Oberoi Exquisite, 11th floor, C Wing, Oberoi Garden City, Goregaon East, Mumbai 400063</p> <p>Designation: CEO & Whole-time Director</p> <p>Occupation: Service</p> <p>DIN: 10810844</p> <p>Current Term: 3 years</p> <p>Period of Directorship: since November 11, 2024</p> <p>Date of Birth: October 9, 1976</p>	48	NIL
2.	<p>Jacob Mathew</p> <p>Address: 53-3, Horamavu Agara, Doddabanaswadi, Bangalore – 560043</p> <p>Designation: Chairperson Independent Director</p> <p>Occupation: Entrepreneur</p> <p>DIN: 0080144</p> <p>Current Term: Five years with effect from April 6, 2021</p> <p>Period of Directorship: With effect from April 6, 2021</p> <p>Date of Birth: March 26, 1961</p>	63	1. Spring Health Water (India) Private Limited
3.	<p>Anou Singhvi</p> <p>Address: 801 C Wing, Raheja Atlantis, Ganpatrao Kadam Marg, Lower Parel,</p>	51	1. Worldwide Software Private Limited

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other Directorships
	<p>Delisle Road, Mumbai – 400 013</p> <p>Designation: Non-Executive Independent Director</p> <p>Occupation: Business</p> <p>DIN: 07572970</p> <p>Current Term: Five years with effect from June 30, 2021</p> <p>Period of Directorship: With effect from June 30, 2021</p> <p>Date of Birth: October 18, 1973</p>		<p>2. Medrepo Technologies Private Limited</p> <p>3. Als Ard Design Private Limited</p>
4.	<p>Samson Samuel</p> <p>Address: Amanda-A, 1904, Hiranandani Meadows, Gladys Alvarez Road, Near Lokpuram, Thane – 400610</p> <p>Designation: Non-Executive Non-Independent Director</p> <p>Occupation: Service</p> <p>DIN: 07523995</p> <p>Current Term: Liable to retire by rotation.</p> <p>Period of Directorship: With effect from March 14, 2023</p> <p>Date of Birth: May 22, 1967</p>	57	<p>1. Future Consumer Limited</p> <p>2. GTM Networks Private Limited</p> <p>3. Aregon Supply Chain Consulting Private Limited</p> <p>4. Fonterra Future Dairy Private Limited</p> <p>5. Integrated Food Park Limited</p> <p>6. Aadhaar Wholesale Trading and Distribution Limited</p> <p>7. Hain Future Natural Products Private Limited</p>
5.	<p>Lynette Robert Monteiro</p> <p>Address: C-3401, Ireo Victory Valley, Golf Course Extension Road, Gurjar Samrat Mihir Bhoj Chowk, Sector-67, Gurgaon – 122101 (HRY).</p> <p>Designation: Non-Executive Non-Independent Director</p> <p>Occupation: Service</p> <p>DIN: 07901400</p> <p>Current Term: Liable to retire by Rotation.</p> <p>Period of Directorship: With effect from September 28, 2024</p>	52	<p>1. Apollo Design Apparel Parks Limited</p> <p>2. FLFL Lifestyle Brands Limited</p> <p>3. Future Consumer Limited</p>

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other Directorships
	Date of Birth: October 4, 1972		
6.	Vijai Singh Dugar Address: 605, Tower B, Oberoi Park View, Near Thakur Cinema, Thakur Village, Kandivali East, Mumbai 400101 Designation: Non-Executive Independent Director Occupation: Retired DIN: 06463399 Current Term: Five years with effect from August 12, 2024 Period of Directorship: Five years	72	1. Galaxy Cloud Kitchens Limited 2. Riddhi Siddhi Mall Management Co Private Limited
	Date of Birth: September 01, 1952		

Details of directorship in companies suspended or delisted

Except as disclosed below, none of our Directors is or was a director of any listed company during the last five years preceding the date of filing of this Draft Letter of Offer, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company:

Name of Director	Name of Company	Listed on	Date of suspension on the stock exchange(s)	Reasons for suspension	Period of suspension	If the suspension of trading revoked, the date of revocation of suspension:	Term (along with relevant dates) of the director in the above company(ies).
Samson Samuel	Future Consumer Limited	BSE and NSE	May 28, 2024	Non-payment of Annual Listing Fees	Suspended	N.A.	Managing Director since November 4, 2023
Lynette Robert Monteiro	Future Consumer Limited	BSE and NSE	May 28, 2024	Non-payment of Annual Listing Fees	Suspended	N.A.	Non-Executive Director since August 5, 2023

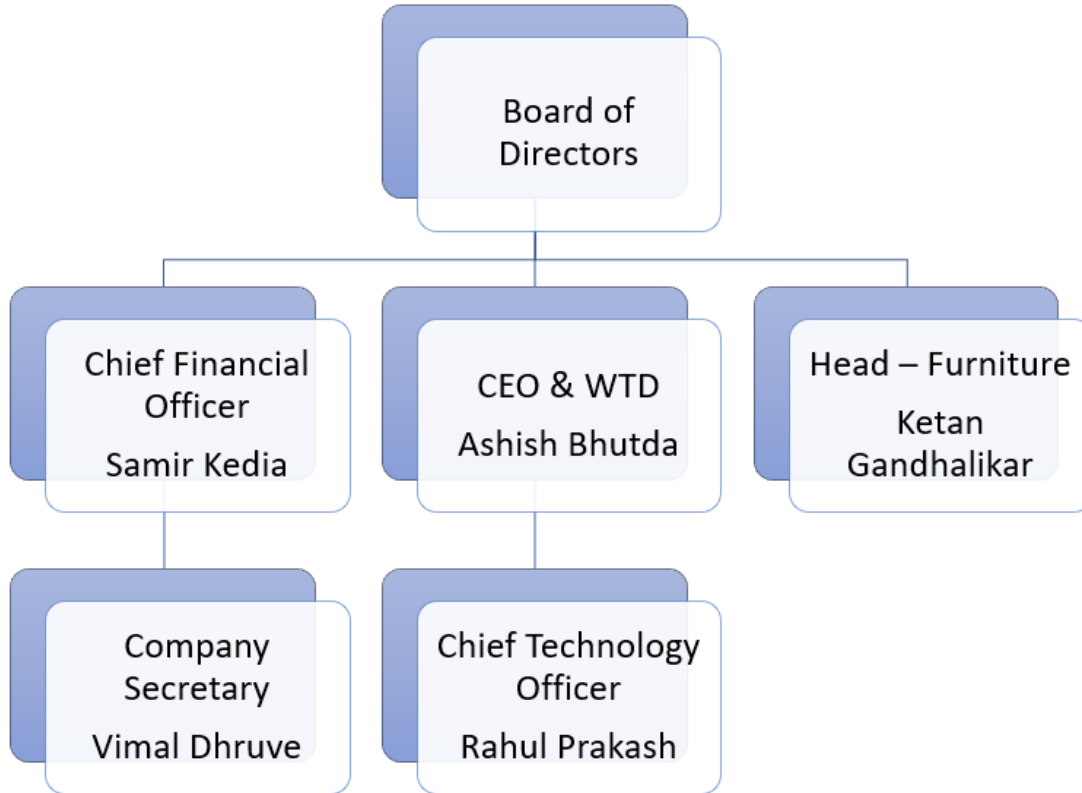
None of our Directors is or was a director of any listed company which has been, or was delisted from any stock exchange during the term of their directorship in such company in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

OUR KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Sl. No.	Name of Personnel/ Senior Personnel	Key Management Management	Designation
Key Managerial Personnel			
1.	Ashish Bhutda		CEO & Whole-time Director
2.	Samir Kedia		Chief Financial Officer
3.	Vimal Dhruve		Company Secretary
Senior Management Personnel (excluding the Key Managerial Personnel)			
4.	Ketan Gandhalikar		Head – Furniture
5.	Rahul Prakash		Chief Product Officer

All our Key Managerial Personnel and our Senior Management Personnel are permanent employees of our Company.

Management Organisation Structure



SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars
a.	Limited Review Unaudited Financial Results.
b.	Audited Financial Statements

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Praxis Home Retail Limited

Regd. Office: 2nd Floor, Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (E) Mumbai- 400060

CIN: L52100MH2011PLC212866

(T)- 022-6882 4900; (F)- 022-6882 4801; Website: www.praxisretail.in; E-mail: investorrelations@praxisretail.in

Statement of Financial Results for the Quarter and Half Year Ended September 30, 2024

(₹ in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a) Revenue from Operations	2,634.56	3,146.40	5,902.49	5,780.96	10,936.04	21,957.77
	b) Other Income	2,177.26	1,707.74	447.08	3,885.00	476.84	636.16
	Total Income	4,811.82	4,854.14	6,349.57	9,665.96	11,412.88	22,593.93
2	Expenses						
	a) Purchase of Stock in trade	1,168.60	823.84	3,651.37	1,992.44	5,694.50	10,316.80
	b) (Increase)/Decrease in Inventories of Stock in trade	375.66	889.62	(543.69)	1,265.28	139.27	1,053.26
	c) Employee Benefits Expenses	697.30	938.08	1,118.11	1,635.38	2,229.21	4,355.29
	d) Finance Costs	527.80	610.94	512.96	1,138.74	968.41	2,206.50
	e) Depreciation and Amortisation expenses	633.56	735.33	903.72	1,368.89	1,782.20	3,629.13
	f) Other Expenses	1,665.35	1,825.73	2,086.32	3,491.08	3,964.50	8,765.68
	Total Expenses	5,068.27	5,823.54	7,728.79	10,891.81	14,778.09	30,326.66
	Profit / (Loss) before Exceptional Items and Tax (1-2)	(256.45)	(969.40)	(1,379.22)	(1,225.85)	(3,365.21)	(7,732.73)
4	Exceptional Items	-	-	-	-	-	(838.51)
5	Profit / (Loss) before Tax and after Exceptional Items	(256.45)	(969.40)	(1,379.22)	(1,225.85)	(3,365.21)	(8,571.24)
6	Tax Expense						
	a) Current Tax	-	-	-	-	-	-
	b) Deferred Tax Liability / (Asset)	-	-	-	-	-	-
7	Profit/(Loss) for the period (5-6)	(256.45)	(969.40)	(1,379.22)	(1,225.85)	(3,365.21)	(8,571.24)
8	Other Comprehensive Income/(Loss)						
	Items that will not be reclassified to Profit & Loss						
	(a) Remeasurements of Defined benefit plans	-	-	(5.00)	-	(10.00)	(49.11)
	(b) Income Tax relating to above	-	-	-	-	-	-
	Other Comprehensive Income/(Loss) for the period	-	-	(5.00)	-	(10.00)	(49.11)
9	Total Comprehensive Income/(Loss) (7+8)	(256.45)	(969.40)	(1,384.22)	(1,225.85)	(3,375.21)	(8,620.35)
10	Paid up Equity Share Capital (Face Value ₹ 5/- per share)	6,260.91	6,260.91	6,247.78	6,260.91	6,247.78	6,260.91
11	Other Equity						(10,578.44)
12	Earnings per Equity Share (Face value of ₹ 5/- each)						
	Basic EPS in ₹ (* not annualized for Quarter ended)	(0.20)	(0.77)	(1.08)	(0.98)	(3.22)	(7.35)
	Diluted EPS in ₹ (*not annualized for Quarter ended)	(0.20)	(0.77)	(1.08)	(0.98)	(3.22)	(7.35)



PRAXIS

HOME RETAIL LIMITED

Praxis Home Retail Limited
CIN: L52100MH2011PLC212866
Balance Sheet as at September 30, 2024

(₹ in Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024
Assets		
1. Non-Current Assets		
Property, Plant and Equipment	1,201.85	1,241.99
Capital Work-In-Progress	9.43	57.91
Right-of-use Assets	9,752.95	10,725.90
Other Intangible Assets	15.28	16.14
Intangibles under development	12.09	10.28
Financial Assets		
Other Financial Assets	330.43	1,114.86
Other Non-Current Assets	6.00	167.68
Non-Current Tax Assets	35.21	29.30
Total Non-Current Assets	11,363.24	13,364.06
2. Current Assets		
Inventories	4,434.10	5,743.61
Financial Assets		
Trade Receivables	6.51	28.74
Cash and Cash Equivalents	400.51	196.07
Bank Balance other than Cash and Cash Equivalents above	3.31	3.31
Other Financial Assets	11,113.83	10,701.39
Other Current Assets	2,513.93	1,885.58
Total Current Assets	18,472.19	18,558.70
Total Assets	29,835.43	31,922.76
Equity And Liabilities		
Equity		
Equity Share Capital	6,260.91	6,260.91
Other Equity	(11,312.55)	(10,578.44)
Total Equity	(5,051.64)	(4,317.53)
Liabilities		
1. Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	7,709.63	8,186.64
Provisions	169.94	169.94
Total Non-Current Liabilities	7,879.57	8,356.58
2. Current Liabilities		
Financial Liabilities		
Borrowings	11,480.61	7,423.00
Lease Liabilities	2,705.06	2,999.91
Trade Payables		
-Total Outstanding dues of Small and Micro Enterprises	2,295.78	2,068.51
-Total Outstanding dues of Creditors other than Small and Micro Enterprises	7,484.24	12,317.92
Other Financial Liabilities	2,113.91	1,763.39
Other Current Liabilities	902.30	1,285.38
Provisions	25.60	25.60
Total Current Liabilities	27,007.50	27,883.71
Total Equity and Liabilities	29,835.43	31,922.76

PRAXIS HOME RETAIL LIMITED

CIN: L52100MH2011PLC212866

Registered Office: 2nd Floor, Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Near Talav, Jogeshwari (East), Mumbai-400060, Maharashtra

Tel: +91 22 4959 2500; website: www.praxisretail.in; email: 80vestrorrelations@praxisretail.in



Praxis Home Retail Limited			
CIN: L52100MH2011PLC212866			
Statement of Cash Flow for The Half Year Ended September 30, 2024			
(₹ in Lakhs)			
Sr No.	Particulars	Half Year Ended September 30, 2024	Half Year Ended September 30, 2023
A	Cash Flows From Operating Activities		
	Loss Before Tax	(1,225.85)	(3,365.22)
	Adjustments For:		
	Depreciation and Amortization Expenses	1,368.89	1,782.20
	Interest income on Fair Value of Financial Asset	(22.23)	(37.72)
	Income from expiry of gift voucher	-	(77.03)
	Provision for Gratuity and Leave Encashment	-	25.00
	Provision for Doubtful Debts	41.71	-
	Finance Costs	1,138.74	968.41
	Interest income on Income Tax Refund	-	(2.45)
	Employee stock option expenses	4.24	33.54
	Provision on Damaged and Obsolete Inventory	25.88	(9.14)
	Loss on disposal/write off of Fixed Assets	167.95	-
	Write Back of Liabilities	(3,770.86)	(345.60)
	Write Back of Lease Liabilities	(77.00)	(28.99)
	Cash Generated (Used in)/from before Working Capital Changes	(2,348.53)	(1,057.00)
	Adjustments For:		
	Trade Receivables	22.23	26.38
	Loans, Other Financial Assets and Other Assets	(299.15)	(616.70)
	Inventories	1,283.63	148.42
	Trade Payables	(835.54)	(2,487.09)
	Other Financial Liabilities, Other Liabilities and Provisions	(384.50)	374.22
	Cash Generated from / (Used in) Operations	(2,561.86)	(3,611.77)
	Income Tax (Paid)/Refund	(5.91)	21.26
	Net Cash Flows Generated from / (Used in) Operating Activities	(2,567.77)	(3,590.51)
B	Cash Flows From Investing Activities		
	Purchase of Property, Plant and Equipment and Intangible Assets (Net of	(63.92)	(275.50)
	Net Cash flow Generated from / (Used In) Investing Activities	(63.92)	(275.50)
C	Cash Flows From Financing Activities		
	Proceeds from Issue of Equity Shares (Net of issue expenses)	-	4,714.75
	Proceeds from Issue of Share Warrants (Net of issue expenses)	487.50	1,320.25
	(Repayment)/Proceeds from Short term Borrowings (Net)	4,057.61	730.79
	Repayment of Long term Borrowings	-	(187.33)
	Principal Payment of Lease Liability	(908.61)	(1,372.10)
	Interest Payment of Lease Liability	(562.26)	(504.75)
	Interest Paid	(238.13)	(514.18)
	Net Cash flow Generated from / (Used In) Financing Activities	2,836.11	4,187.43
	Net (Decrease) / Increase In Cash and Cash Equivalents	204.42	321.41
	Net (Decrease) / Increase In Cash and Cash Equivalents	204.42	321.41
	Cash and Cash Equivalents at the beginning of the year	196.07	178.54
	Cash and Cash Equivalents at year end	400.49	499.96
	Components of Cash and Cash Equivalents		
	Balances with Banks - In Current Accounts	385.27	473.85
	Cheques on Hand	2.69	7.79
	Cash on Hand	12.55	18.32
	Total Cash and Cash Equivalents	400.51	499.96
	Changes in liabilities arising from financing activities		
	Opening balance of borrowings	8,053.00	16,369.80
	Proceeds from borrowings	4,127.61	4,318.00
	Change in Lease liabilities	-	52.38
	Repayment of borrowings	(70.00)	(3,774.55)
	Closing balance of borrowings	12,110.61	16,965.63



Notes:-

- 1 The above financial results have been prepared in accordance with recognition and measurement principles of the Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. Further, these financial results also have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended.
- 2 The Company's business activity falls within a single primary business segment of "retail" and there are no separate reportable segments as per Ind AS 108 "Operating Segments". Company's operations are only confined in India.
- 3 The Company has incurred a cash loss of ₹ 3,627.82 lakhs during the half-year ended September 30, 2024. Further, 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 current period, the Company has raised funds through issue of share warrants to improve its liquidity position. 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. Accordingly, the financial results of the Company have been prepared on a going concern basis.
- 4 9% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each ("NCRPs") aggregating to ₹ 630 lakhs held by Future Enterprises Limited ("FEL") were due for redemption on December 8, 2022. As per the provisions of the Companies Act, 2013 and rules made thereunder, the redemption of any NCRPs 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 quarter / previous year and no proceeds of any fresh issue of shares made for the purposes of such redemption, the Company could not redeem the NCRPs. Till these NCRPs are not redeemed, it would continue as unredeemed preference capital in accounts of the Company till redemption.
- 5 a. During the year ended March 31, 2023, 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 ended March 31, 2023, 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. Further, balances of payables and receivables are subject to confirmations.

b. On the above matter, the statutory auditors have modified their audit opinion in their previous year's audit report. This matter is still not resolved and consuming time as an Interim Resolution Professional has been appointed for the entity of the Lessor by Hon'ble National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016. The Company is deliberating to take appropriate steps in such circumstances. The Company will also take steps to obtain the balance confirmations.
- 6 Pursuant to the Shareholders' approval in the Extraordinary General Meeting on April 27, 2024, the Company on May 10, 2024 issued and allotted 45,07,629 Convertible Warrants at a price of ₹ 43.26/- each Warrant to the Specified Investor - Bennett Coleman And Company Limited, on preferential allotment basis, on receipt of 25% (₹ 487.50 lakhs) of the total consideration price (₹ 1,950 lakhs). The Warrants shall be converted into equity shares at a conversion price of ₹ 43.26/- per equity share on receipt of the remaining consideration of 75% within a period of 18 months from the date of allotment of Warrants.
- 7 During the quarter, the performance of the Company was affected due to shortage of inventory and liquidity. Most of the stores of the Company were running into losses during this period, which may trigger up the requirement for providing impairment on Right of Use (ROU) Assets of ₹ 9,752.95 lakhs. However, as management has raised funds of ₹ 487.50 lakhs through Preferential Issue in the quarter ended June 30, 2024 and is in the process of raising further funds of ₹ 4,800 lakhs through outstanding balances of issued warrants, it is confident that the liquidity and profitability position of the Company will improve by the end of current financial year. And hence, it envisages that there may not be a need arising to provide any impairment on ROU in the current quarter / current financial year. Subsequent to closure of the quarter under review, the Company received an amount of Rs.1,200 lakhs as towards subscription amount upon conversion of warrants and accordingly, the Company allotted one crore equity shares at an issue price of Rs.16/- per share (including premium of Rs.11/- per share) Aggregating to Rs. 500 lakhs towards Equity Share Capital and Rs. 1100 lakhs towards securities premium on October 15, 2024.
- 8 Resolution Professional (RP) of Future Lifestyle Fashions Limited ("FLFL") has filed an Interlocutory Application against the Promoter, Mr. Kishore Biyani and Praxis Home Retail Limited ("Respondents") before Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), in the matter relating to Corporate Insolvency Resolution Process initiated against FLFL, which is received by the Company on 4 January, 2024. In the said Interlocutory Application filed against the Respondents, the RP has prayed to NCLT to treat the transactions carried out by the erstwhile directors of the Corporate Debtor as fraudulent transactions, in accordance with Section 66 of the Code and has sought directions from NCLT directing the Respondents to pay the amount due to FLFL to the tune of ₹ 23.21 Crore along with interest. The Company has already submitted its reply and denied all the claims. Till the time the claim is not substantiated, it is considered as contingent liability.
- 9 Other Income for the half-year ended September 30, 2022 includes Rs. 3,770.86 lakhs on account of write back of trade payables and provisions (including write back of related parties balance and provisions of Rs. 2693.72 lakhs).
- 10 During the quarter and half year end Septmeber 30th, 2024, the Company did not have any holding, subsidiary or associate company.
- 11 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period/year.
- 12 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 11, 2024.
- 13 The financial results will be available on the website of the Company - "www.praxisretail.in" and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com)

Place : Mumbai

Date : November 11, 2024



Ashish Bhutda
Ashish Bhutda
Chief Executive Officer and Whole Time Director



PRAXIS HOME RETAIL LIMITED

Registered Office: 2nd Floor, Knowledge House, Jyeshtha Nagar, Off Jogeshwari-Vikhroli Link Road, Near Talav, Jogeshwari (East), Mumbai-400060, Maharashtra

Tel: +91 22 4959 2500; website: www.praxisretail.in; email: investorrelations@praxisretail.in

Independent Auditors' Limited Review Report on Unaudited financial results of Praxis Home Retail Limited for the quarter and half year ended September 30, 2024, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended)

To the Board of Directors of Praxis Home Retail Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Praxis Home Retail Limited** ('the Company') for the quarter and half year ended September 30, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Because of the matters described in the paragraph 4 below, we were not able to obtain sufficient evidence to provide a basis for conclusion on the Statement and hence we do not express a conclusion on the Statement.

4. Basis for Disclaimer of Conclusion

- a) As stated in note no. 5(a) of the financial results of the Company, it 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 & recognised 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". Further, we are informed by the management that till date the

Company has not received any appropriate / adequate response from the lessor towards refunding such amount. Considering these facts and 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. These facts also give rise to material uncertainty as regards possible material adjustments that may be required to made to the values of recorded security deposits and unrecorded assets and tax implications, if any, arising on account of settlement of such transactions, which could not be recorded in the financial results on account of these being not readily ascertainable. Pursuant to non-receipt of response from the lessor towards refunding the specified amount and non-determination of the ECL provision and availability of balance confirmation, its impact on the losses and EPS of the Company for the quarter and half year ended September 2024 and on the other equity as on the balance sheet date, is not ascertainable. This matter was also modified in our report on the financial statement for the year ended March 31, 2024.

b) Balances of trade payables aggregating to Rs. 8,348.25 lakhs are subject to confirmations and reconciliations, if any, are not ascertainable. This matter was also modified in our report on the financial statements for the year ended March 31, 2024.

c) As stated in note no. 9 of the financial results, during the quarter the Company has written back certain trade payables and provisions aggregating to Rs. 2,156.58 Lakhs and Rs. 3,770.86 lakhs (Including write back of related parties balance and provisions of Rs. 2,156.58 lakhs and Rs. 2,693.72 lakhs) for the quarter and half year ended September 30, 2024, respectively, reasons of which are not known to us. Hence, we are unable to comment on the correctness of these values, and if any adjustments are required to the said balances as on the September 30, 2024 and related disclosures in the financial results. The above amount includes amount due to one of the related parties which is under Corporate Insolvency Resolution Process whose Resolution Professional has raised a claim of Rs. 2,321 lakhs along with interest which has been denied by the Company and not recognised in the books, as explained in note no. 8.

d) As stated in note no. 7 of the financial results wherein it is stated that the Company has not assessed the impairment of Rights of Use assets (ROU), having value of Rs. 9,752.95 lakhs as on September 30, 2024 considering the Company has incurred cash losses during the half year and its net worth is completely eroded. We are unable to comment upon the impact arising on the loss and EPS for the quarter and half year ended September 30, 2024 and on the carrying value of ROU & other equity as on September 30, 2024. This matter was also modified in our report on the financial statements for the year ended March 31, 2024.

e) We draw attention to note no. 3 in the financial results which states that during the quarter, the Company has incurred a cash loss of Rs. 3,627.82 lakhs and its net worth is negative as on September 30, 2024. **Further, the Company's current liabilities exceeded its current assets.** The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. The above situation indicates that a material uncertainty exists that may cast significant doubt **on the Company's ability to continue as a going concern.** In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next twelve months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.

5. Disclaimer of Conclusion

We do not express conclusion on the accompanying Statement of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Conclusion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for our conclusion on the Statement.

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E

**Ravi
Kapoor**

Digitally signed by
Ravi Kapoor
Date: 2024.11.11
11:57:25 +05'30'

Ravi Kapoor

Partner

Membership No. 040404

UDIN: 24040404BKGYBL9480

Place: Mumbai

Date: November 11, 2024

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Assets			
1. Non-Current Assets			
Property, Plant and Equipment	3 (a)	1,241.99	1,135.96
Capital Work-In-Progress	3 (b)	57.91	15.07
Right-of-use Assets	4	10,725.90	10,364.48
Other Intangible Assets	5 (a)	16.14	17.43
Intangibles under development	5 (b)	10.28	-
Financial Assets			
Other Financial Assets	6	1,114.86	825.95
Other Non-Current Assets	7	167.68	53.11
Non-Current Tax Assets	8	29.30	76.87
Total Non-Current Assets		13,364.06	12,488.87
2. Current Assets			
Inventories	9	5,743.61	6,633.64
Financial Assets			
Trade Receivables	10	28.74	143.65
Cash and Cash Equivalents	11	196.07	178.54
Bank Balance other than Cash and Cash Equivalents above	12	3.31	3.31
Other Financial Assets	6	10,701.39	10,608.42
Other Current Assets	7	1,885.58	1,179.87
Total Current Assets		18,558.70	18,747.43
Total Assets		31,922.76	31,236.30
Equity And Liabilities			
Equity			
Equity Share Capital	13	6,260.91	3,783.51
Other Equity	14	(10,578.44)	(5,578.48)
Total Equity		(4,317.53)	(1,794.97)
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	-	549.32
Lease Liabilities	33(b)	8,186.64	7,307.04
Provisions	15	169.94	197.04
Total Non-Current Liabilities		8,356.58	8,053.40
2. Current Liabilities			
Financial Liabilities			
Borrowings	16	7,423.00	4,788.47
Lease Liabilities	33(b)	2,999.91	3,094.97
Trade Payables			
-Total Outstanding dues of Small and Micro Enterprises	17	2,068.51	2,140.17
-Total Outstanding dues of Creditors other than Small and Micro Enterprises	17	12,317.92	11,910.05
Other Financial Liabilities	18	1,763.39	1,590.16
Other Current Liabilities	19	1,285.38	1,431.39
Provisions	15	25.60	22.66
Total Current Liabilities		27,883.71	24,977.87
Total Equity and Liabilities		31,922.76	31,236.30

The accompanying notes 1 to 57 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

Amit Hundia

Partner

Membership No.: 120761

Mumbai

May 23, 2024

Swetank Jain

Chief Executive Officer and Whole

Time Director

DIN: 08859745

Samir Kedia

Chief Financial Officer

Mahesh Shah

Chairman and Non-

Executive Director

DIN: 01488017

Sanu Kapoor

Company Secretary



Praxis Home Retail Limited
CIN: L52100MH2011PLC212866
Statement of Profit and Loss for The Year Ended March 31, 2024

(₹ in Lakhs)

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
Income			
Revenue From Operations	20	21,957.77	38,604.55
Other Income	21	636.16	937.11
Total Income		22,593.93	39,541.66
Expenses			
Purchase of Stock In Trade		10,316.80	14,126.32
Change in Inventories of Stock-In-Trade (Increase)/Decrease	22	1,053.26	7,331.00
Employee Benefits Expense	23	4,355.29	6,036.86
Finance Costs	24	2,206.50	2,175.98
Depreciation and Amortization Expense	3, 4 & 5	3,629.13	3,602.62
Other Expenses	25	8,765.68	11,480.55
Total Expenses		30,326.66	44,753.33
Profit / (Loss) before Exceptional Items and Tax		(7,732.73)	(5,211.67)
Exceptional Items	49	(838.51)	3,110.28
Profit / (Loss) before Tax and after Exceptional Items		(8,571.25)	(2,101.39)
Tax Expense	36		
-Current Tax		-	-
-Deferred Tax		-	-
Profit/(Loss) for the Year		(8,571.25)	(2,101.39)
Other Comprehensive Income			
Items that will not be reclassified to statement of profit and loss			
(a) Remeasurements of Defined benefit plans- Gain/(Loss)	29	(49.11)	(61.70)
(b) Income Tax relating to above		-	-
Other Comprehensive Income/(Loss) For The Year		(49.11)	(61.70)
Total Comprehensive Income/(Loss) For The Year		(8,620.35)	(2,163.09)
Earnings Per Equity Share of Face Value of ₹ 5/- each	31		
Basic		(7.35)	(2.68)
Diluted		(7.35)	(2.68)

The accompanying notes 1 to 57 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.


Swetank Jain

Chief Executive Officer and Whole
Time Director
DIN: 08859745


Mahesh Shah

Chairman and Non-
Executive Director
DIN: 01488017

Chartered Accountants

Firm Registration No. 302049E



Amit Hundia

Partner
Membership No.: 120761




Samir Kedia

Chief Financial Officer


Sanu Kapoor

Company Secretary



Mumbai
May 23, 2024

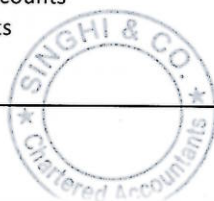
Praxis Home Retail Limited

CIN: L52100MH2011PLC212866

Statement of Cash Flow for The Year Ended March 31, 2024

(₹ in Lakhs)

Sr No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A	Cash Flows From Operating Activities		
	Profit / (Loss) Before Tax	(8,571.25)	(2,101.39)
	Adjustments For:		
	Depreciation and Amortization Expenses	3,629.13	3,602.62
	Interest income on Fair Value of Financial Asset	(80.10)	(251.66)
	Income from expiry of gift voucher	(77.03)	-
	Provision for Gratuity and Leave Encashment	(24.16)	262.71
	Provision for Doubtful Debts	(220.83)	338.16
	Finance Costs	2,206.50	2,139.68
	Unwinding Interest on Financial Instrument at Amortised Cost	-	36.30
	Interest income on Income Tax Refund	(3.83)	-
	Interest income on Fixed Deposits	(18.85)	-
	Employee stock option expenses	49.65	273.46
	Provision on Damaged and Obsolete Inventory	88.46	355.80
	Payment of Incidental cost of Leases	(14.66)	(40.59)
	Write Back of Liabilities	(304.52)	(1,941.77)
	Write Back of Lease Liabilities	(160.11)	(1,792.63)
	Cash Generated (Used in)/from before Working Capital Changes	(3,501.60)	880.69
	Adjustments For:		
	Trade Receivables	114.92	(135.36)
	Loans, Other Financial Assets and Other Assets	(1,051.41)	1,581.45
	Inventories	801.58	7,235.39
	Trade Payables	640.73	(887.38)
	Other Financial Liabilities, Other Liabilities and Provisions	76.01	(1,194.49)
	Cash Generated from / (Used in) Operations	(2,919.77)	7,480.30
	Income Tax (Paid)/Refund	47.57	(38.72)
	Net Cash Flows Generated from / (Used in) Operating Activities	(2,872.20)	7,441.58
B	Cash Flows From Investing Activities		
	Purchase of Property, Plant and Equipment and Intangible Assets (Net of Interest income on Fixed Deposits)	(681.39)	(1,020.01)
	Net Cash flow Generated from / (Used In) Investing Activities	(662.54)	(1,020.01)
C	Cash Flows From Financing Activities		
	Proceeds from Issue of Equity Shares (Net of issue expenses)	4,729.99	18.10
	Proceeds from Issue of Share Warrants (Net of issue expenses)	1,318.13	-
	(Repayment)/Proceeds from Short term Borrowings (Net)	2,634.53	(2,038.77)
	Repayment of Long term Borrowings	(549.32)	(274.66)
	Principal Payment of Lease Liability	(2,497.04)	(2,616.35)
	Interest Payment of Lease Liability	(1,290.61)	(1,079.69)
	Interest Paid	(793.42)	(900.95)
	Net Cash flow Generated from / (Used In) Financing Activities	3,552.27	(6,892.32)
	Net (Decrease) / Increase In Cash and Cash Equivalents	17.53	(470.75)
	Net (Decrease) / Increase In Cash and Cash Equivalents	17.53	(470.75)
	Cash and Cash Equivalents at the beginning of the year	178.54	649.30
	Cash and Cash Equivalents at year end	196.07	178.54
	Components of Cash and Cash Equivalents		
	Balances with Banks - In Current Accounts	143.47	134.82
	Balances with Banks - Fixed Deposits	12.96	-
	Cheques on Hand	0.00	19.94
	Cash on Hand	39.64	23.78



Total Cash and Cash Equivalents	196.07	178.54
Changes in liabilities arising from financing activities		
Opening balance of borrowings	5,337.79	8,244.92
Proceeds from borrowings	7,568.00	950.00
Unwinding Interest on Financial Instrument at Amortised Cost	-	36.30
Repayment of borrowings	(4,852.79)	(3,263.43)
Closing balance of borrowings	8,053.00	5,967.79

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, balances of borrowing continued to includes ₹ 630 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 57 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

Swetank Jain

Chief Executive Officer and Whole
Time Director
DIN: 08859745

Mahesh Shah

Chairman and Non-
Executive Director
DIN: 01488017

Amit Hundia

Partner

Membership No.: 120761

Samir Kedia

Chief Financial Officer

Sanu Kapoor

Company Secretary

Mumbai

May 23, 2024



Praxis Home Retail Limited
Statement of Change in Equity for The Year Ended March 31, 2024

₹ in lakhs		
Balance as at April 01, 2023	Changes in Equity Share Capital during the year	Balance as at March 31, 2024
3,783.51	2,477.40	6,260.91

₹ 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

* Restated balances at the beginning of the reporting period and changes in equity share capital due to prior period errors is Nil.

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share- Based Payment Reserve (Refer Note No. 30)	Retained Earnings	Money received against share warrants ((Refer Note No. 46)	
Balance as at April 01, 2023	7,968.34	10,150.62	5.00	105.62	(23,808.10)	-	(5,578.48)
Profit/(Loss) for the year	-	-	-	-	(8,571.25)	-	(8,571.25)
Remeasurements of Defined benefit plans	-	-	-	-	(49.11)	-	(49.11)
Total Comprehensive Income For The Year	-	-	-	-	(8,620.35)	-	(8,620.35)
Share based payments	-	-	-	49.65	-	-	49.65
Rights Issue Expenses	-	(206.69)	-	-	-	-	(206.69)
Preferential Issue Expenses	-	(281.87)	-	-	-	-	(281.87)
Adjustment pursuant to Employee Share Based Plan (ESOP Scheme)	-	-	-	(50.91)	50.91	-	-
Money received against share warrants	-	-	-	-	-	1,600.00	1,600.00
Addition during the year - Pursuant to Rights Issue	-	2,459.28	-	-	-	-	2,459.28
Exercise of Share Options	-	76.36	-	(76.36)	-	-	-
Balance as at March 31, 2024	7,968.34	12,197.71	5.00	28.00	(32,377.54)	1,600.00	(10,578.44)

Note: There were no changes in other equity due to changes in accounting policies or prior period errors

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share- Based Payment Reserve (Refer Note No. 30)	Retained Earnings	Money received against share warrants	
Balance as at April 01, 2022	7,968.34	9,914.78	5.00	108.90	(21,685.89)	-	(3,688.84)
Profit/(Loss) for the year	-	-	-	-	(2,101.39)	-	(2,101.39)
Remeasurements of Defined benefit plans	-	-	-	-	(61.70)	-	(61.70)
Total Comprehensive Income For The Year	-	-	-	-	(2,163.09)	-	(2,163.09)
Share based payments	-	-	-	273.46	-	-	273.46
Rights Issue Expenses	-	-	-	-	-	-	-
Preferential Issue Expenses	-	-	-	-	-	-	-
Adjustment pursuant to Employee Share Based Plan (ESOP Scheme)	-	-	-	(40.90)	40.90	-	-
Money received against share warrants	-	-	-	-	-	-	-
Addition during the year - Pursuant to Rights Issue	-	-	-	-	-	-	-
Exercise of Share Options	-	235.84	-	(235.84)	-	-	-
Balance as at March 31, 2023	7,968.34	10,150.62	5.00	105.62	(23,808.10)	-	(5,578.48)

Note: There were no changes in other equity due to changes in accounting policies or prior period errors
The accompanying notes 1 to 57 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

Amit Hundia

Partner

Membership No.: 120761

Mumbai

May 23, 2024

Swetank Jain
Chief Executive Officer and
Whole Time Director
DIN: 08859745

Samir Kedia
Chief Financial Officer

Mahesh Shah
Chairman and Non-Executive
Director
DIN: 01488017

Sanu Kapoor
Company Secretary



Notes annexed to and forming part of the financial statements

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, 2024 were authorized for issue by the board of directors on May 23, 2024.

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.

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.

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.

Assets	Useful life
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 amortization 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.

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.

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. 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 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.

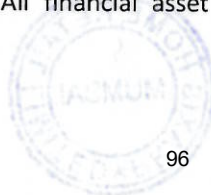
(A) Financial Assets:

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 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 amortization 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 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

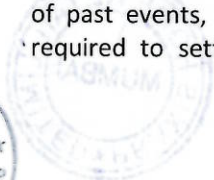
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such 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.

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.

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 following are the 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.

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 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.

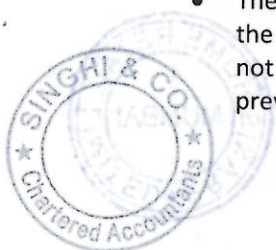
Where the Company is the lessee:

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 leases which have term less than 12 months 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.

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 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 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							
3 (a). Property, Plant and Equipment							(₹ in Lakhs)
Particulars	Office Equipment	Furniture and Fixture	Computers	Leasehold Improvements	Plant & Machinery	Electrical Installation	Total
Gross Carrying Amount							
As At April 01, 2022	16.56	42.12	163.99	-	0.39	6.94	229.99
Additions	149.35	799.66	15.98	153.24	4.35	197.78	1,320.36
As At March 31, 2023	165.91	841.77	179.97	153.24	4.74	204.72	1,550.35
Additions	32.24	254.14	24.58	91.09	17.99	41.18	461.23
Deletions				(23.81)			(23.81)
As At March 31, 2024	198.15	1,095.92	204.55	220.52	22.74	245.90	1,987.77
Accumulated Depreciation							
As At April 01, 2022	10.31	1.13	130.19	-	0.02	0.14	141.79
Depreciation for the Year	46.36	136.84	29.22	29.71	0.72	29.75	272.60
As At March 31, 2023	56.67	137.97	159.42	29.71	0.74	29.89	414.39
Depreciation for the Year	58.17	211.50	16.90	15.26	1.66	51.71	355.19
Deletions				(23.81)			(23.81)
As At March 31, 2024	114.84	349.48	176.32	21.16	2.39	81.60	745.78
Net Carrying Value							
As At March 31, 2023	109.24	703.80	20.55	123.53	4.01	174.83	1,135.96
As At March 31, 2024	83.31	746.44	28.23	199.37	20.34	164.30	1,241.99
3 (b). Capital Work-In-Progress (₹ in Lakhs)							
Particulars	Total						
As At April 01, 2023	15.07						
Incurred during the year	483.17						
Capitalized during the year	(440.33)						
As At March 31, 2024	57.91						
Particulars	Total						
As At April 01, 2022	118.64						
Incurred during the year	1,212.69						
Capitalized during the year	(1,316.26)						
As at March 31, 2024	15.07						
Ageing for Capital Work-in-Progress as on March 31, 2024 (₹ 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	57.91	-	-	-		57.91	
Projects temporarily suspended	-	-	-	-		-	
Total	57.91	-	-	-		57.91	
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	-	-	-		15.07	
Projects temporarily suspended	-	-	-	-		-	
Total	15.07	-	-	-		15.07	
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.							



4. Right-of-use Assets			
(₹ in Lakhs)			
Particulars	Buildings	Office equipments	Total
Gross Carrying Amount			
As At April 01, 2022	17,328.22	6,982.84	24,311.06
Additions	12,623.15	-	12,623.15
Modifications	(13,224.61)		(13,224.61)
Disposals	(911.10)	(6,982.84)	(7,893.94)
As At March 31, 2023	15,815.66	-	15,815.66
Additions	7,195.40		7,195.40
Modifications	(935.19)		(935.19)
Disposals	(3,926.70)		(3,926.70)
As At March 31, 2024	18,149.17	-	18,149.17
Accumulated Depreciation			
As At April 01, 2022	8,215.93	5,713.24	13,929.17
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)
As At March 31, 2023	5,451.18	-	5,451.18
Depreciation for the Year	3,263.84		3,263.84
Modifications	-		-
Disposals	(1,291.74)		(1,291.74)
As At March 31, 2024	7,423.28	-	7,423.28
Net Carrying Value			
As At March 31, 2023	10,364.47	-	10,364.47
As At March 31, 2024	10,725.90	-	10,725.90

5 (a). Other Intangible Assets		
(₹ in Lakhs)		
Particulars	Computer Software	Total
Gross Carrying Amount		
As At April 01, 2022	101.56	100.66
Additions	10.93	10.93
As At March 31, 2023	112.49	112.49
Additions	8.80	8.80
As At March 31, 2024	121.29	121.29
Accumulated Amortization		
As At April 01, 2022	85.19	85.19
Amortisation expense for the Year	9.86	9.86
As At March 31, 2023	95.06	95.06
Amortisation expense for the Year	10.10	10.10
As At March 31, 2024	105.16	105.16
Net Book Value		
As At March 31, 2023	17.43	17.43
As At March 31, 2024	16.14	16.14

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.



5 (b). Intangible assets under development

(₹ in Lakhs)

Particulars	Total
As At April 01, 2023	-
Incurred during the year	10.28
Capitalized during the year	-
As At March 31, 2024	10.28

Particulars	Total
As At April 01, 2022	-
Incurred during the year	-
Capitalized during the year	-
As at March 31, 2023	-

Ageing for Intangible assets under development as on March 31, 2024

Particulars	Amount in Intangible assets under development for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10.28	-	-	-	10.28
Projects temporarily suspended	-	-	-	-	-
Total	10.28	-	-	-	10.28

Ageing for Intangible assets under development as on March 31, 2023

Particulars	Amount in Intangible assets under development for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note - The Company do not have any Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.



Notes annexed to and forming part of the financial statements

6 Other Financial Assets (₹ in Lakhs)				
Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non Current	Current	Non Current
Security Deposits - Unsecured, Considered Good	225.43	1,114.86	222.63	825.95
Other Receivables				
a) Security Deposit - Considered Good*	10,100.00	-	10,100.00	-
b) Others**				
Considered Good	375.95	-	285.79	-
Credit Impaired	192.34	-	413.17	-
Less : Allowance for doubtful debts	(192.34)	-	(413.17)	-
Total	10,701.39	1,114.86	10,608.42	825.95

* Security Deposit is towards lease agreement 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, 2024		As at March 31, 2023	
	Current	Non Current	Current	Non Current
Unsecured, Considered Good, Unless Otherwise Stated				
Capital Advances	-	167.68	-	53.11
Advances other than Capital Advances:				
i) Advance to Related Parties	343.92	-	331.97	-
Less: Provision for Doubtful Advances	(300.00)	-	(300.00)	-
Net Advance to Related Parties	43.92	-	31.97	-
ii) Advance to Suppliers	99.83	-	70.53	-
iii) Advance to Employees	8.60	-	5.80	-
Prepaid Expenses	101.73	-	112.62	-
GST paid under protest	13.50	-	-	-
Balances with Statutory Authorities -Considered good	1,618.00	-	958.94	-
Balances with Statutory Authorities -Considered doubtful	55.44	-	62.83	-
Less:Provision for Doubtful Balances	(55.44)	-	(62.83)	-
Total	1,885.58	167.68	1,179.87	53.11

8 Non-Current Tax Assets (₹ in Lakhs)				
Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
Tax deducted at source		6.54		54.11
Tax paid under protest		22.76		22.76
Total		29.30		76.87

9 Inventories (₹ in Lakhs)				
Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
Stock-in-Trade (Including stock in transit : ₹ 265.77 Lakhs, March 31, 2023 : ₹ 339.69 Lakhs)		5,887.18		6,899.31
Packing Materials and Others		74.01		115.14
Less : Provision for Obsolete Inventory and Shrinkage		(217.59)		(380.81)
Total Inventories		5,743.61		6,633.64

(Valued at cost or Net Realisable Value whichever is lower)

10 Trade Receivables (₹ in Lakhs)				
Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
Unsecured considered good unless otherwise stated				
Considered Good		28.74		143.65
Credit Impaired		34.88		-
		63.62		143.65
Less : Allowance for doubtful debts		(34.88)		-
Total		28.74		143.65

Trade Receivables ageing schedule as on March 31, 2024

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	-	28.02	0.72	-	
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	1.57	0.72	32.60	-	34.88
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	29.59	1.44	32.60	-	63.62



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	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	43.11	82.19	18.35	-	-	143.65

11 Cash and Cash Equivalents			(₹ in Lakhs)
Particulars	As at	As at	
	March 31, 2024	March 31, 2023	
Balances with Banks - In Current Accounts	143.47	134.82	
Balances with Banks - Fixed Deposits	12.96	-	
Cheques on Hand	0.00	19.94	
Cash on Hand	39.64	23.78	
Total	196.07	178.54	

12 Bank Balance other than Cash and Cash Equivalents above			(₹ in Lakhs)
Particulars	As at	As at	
	March 31, 2024	March 31, 2023	
Bank Balance - Unclaimed amount payable towards fractional shares*	3.31	3.31	
Total	3.31	3.31	

*Restricted Bank balance



Notes annexed to and forming part of the financial statements

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Authorised		
20,00,00,000 equity shares of ₹ 5 each (31 March 2023: 10,00,00,000 equity shares of ₹ 5 each)	10,000.00	5,000.00
Issued		
12,52,23,402 equity shares of ₹ 5 each (31 March 2023: 7,56,75,330 equity shares of ₹ 5 each)	6,261.17	3,783.77
Subscribed and Paid up		
12,52,18,184 equity shares of ₹ 5 each (31st March 2023: 7,56,70,112 equity shares of ₹ 5 each)	6,260.91	3,783.51

(i) Reconciliation of Number of Equity Shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
Opening Balance of Equity Shares of ₹ 5/- each	7,56,75,330	3,783.77	7,53,13,330	3,765.67
Add : Shares issued during the year (Pursuant to Rights Issue Note 45)	4,91,85,572	2,459.28	-	-
Add : Shares issued during the year (Pursuant to ESOP)	3,62,500	18.13	3,62,000	18.10
Total Shares issued	12,52,23,402	6,261.17	7,56,75,330	3,783.77
Less: Shares kept in abeyance (Refer Note No. iii below)	5,218	0.26	5,218	0.26
Total Shares outstanding at the end of the year	12,52,18,184	6,260.91	7,56,70,112	3,783.51

(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	As at March 31, 2024	As at March 31, 2023
No. of Shares pledged by promoters	-	-

(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, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Surplus Finvest Private Limited	2,95,97,003	23.64	1,79,37,578	23.70
Mangal Bhansali & PACs	2,07,96,647	16.61	42,09,715	5.56
Universal Trustees Pvt Ltd	90,00,000	7.19	-	-
Future Hospitality Private Limited	45,13,319	3.60	1,22,41,293	16.18
Future Corporate Resources Private Limited	4,15,625	0.33	67,57,361	8.93

(vi) Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as at March 31, 2024 is as follows:

Name of Promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of Shares	Percentage of total shares	No. of Shares	Percentage of total shares	
Shri Kishore Biyani	414	0.00%	251	0.00%	0.00%
Future Corporate Resources Private Limited*	4,15,625	0.33%	67,57,361	8.93%	-8.60%
Total	4,16,039	0.33%	67,57,612	8.93%	-8.60%

* As on March 31, 2024: 44,03,645 shares (1.59%) is held through its partly owned subsidiary Future Hospitality Private Limited where it holds 44.11%.

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%	106	0.00%	0.00%
Future Corporate Resources Private Limited	67,57,361	8.93%	1,89,98,654	25.23%	-16.30%
Total	67,57,612	8.93%	1,89,98,760	25.23%	-16.30%

* 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%.

(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, 2024, 1,19,000 No. of Equity Shares (March 31, 2023 No. of equity shares 8,03,750) are reserved for Issuance towards Outstanding Employee Stock Option granted. (Refer Note 30)

Notes annexed to and forming part of the financial statements		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
14. Other Equity		
Capital Reserve		
Opening Balance	7,968.34	7,968.34
Addition/(Appropriation) During The Year	-	-
Closing Balance	7,968.34	7,968.34
Security Premium		
Opening Balance	10,150.62	9,914.78
Pursuant to the exercise of share options	76.36	235.84
Pursuant to the Rights Issue	2,459.28	-
Rights Issue Expenses	(206.69)	-
Preferential Issue Expenses	(281.87)	-
Closing Balance	12,197.71	10,150.62
Capital Redemption Reserve		
Opening Balance	5.00	5.00
Addition/(Appropriation) During The Year	-	-
Closing Balance	5.00	5.00
Share- Based Payment Reserve (Refer Note No. 30)		
Opening Balance	105.62	108.90
Share based payments	49.65	273.46
Options lapsed as per ESOP scheme	(50.91)	(40.90)
Exercise of share options - ESOP Plan 2021	(76.36)	(235.84)
Closing Balance	28.00	105.62
Retained Earnings		
Opening Balance	(23,808.10)	(21,685.89)
Profit/(Loss) For The Year	(8,571.25)	(2,101.39)
Options lapsed as per ESOP scheme	50.91	40.90
Other Comprehensive Income/(Loss) For The Year		
Re-measurement Gain/(Loss) on Defined Benefit Plans	(49.11)	(61.70)
Income Tax relating to above	-	-
Closing Balance	(32,377.54)	(23,808.10)
Money received against share warrants		
Opening Balance	-	-
Money received against share warrants (Refer Note 46)	1,600.00	-
Closing Balance	1,600.00	-
Total	(10,578.44)	(5,578.48)



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.

f) Money received against share warrants

This represents amount received on partial allotment of Equity Share Warrants to preferential investors on preferential allotment basis. (Refer note no. 47)



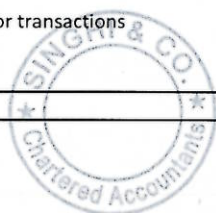
Notes annexed to and forming part of the financial statements

15 Non-Current Liabilities - Provisions		(₹ in Lakhs)			
Particulars	As at March 31, 2024		As at March 31, 2023		
	Current	Non-Current	Current	Non-Current	
Provision for Employee Benefits					
Gratuity (Refer note no. 29)	21.80	155.60	11.41	157.65	
Compensated Absences	3.80	14.34	11.25	39.39	
Total	25.60	169.94	22.66	197.04	
16 Financial Liability-Borrowings		(₹ in Lakhs)			
Particulars	As at March 31, 2024		As at March 31, 2023		
	Current	Non-Current	Current	Non-Current	
Secured					
Loans from Banks					
- Working Capital Term Loan (Refer note A & D)	-	-	-	549.32	
- Current Maturities of Long term debt (Refer note A & D)	-	-	274.66	-	
Loan from Others - NBFC (Refer note B)			2,293.81	-	
Unsecured					
Inter Corporate Deposits (Refer note C)					
- From Related Parties	4,295.00	-	2,220.00	-	
- From Others	3,128.00	-	-	-	
Total	7,423.00	-	4,788.47	549.32	
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 FY23-24 is 9.25% per annum on monthly basis. The outstanding amount as on 31st March 2024 is ₹ Nil (March 31, 2023 : ₹ 823.98 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) Inter Corporate Deposits are repayable on demand secured by promisory note. Interest is payable at 12% per annum.					
(D) 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.					
17 Trade Payables		(₹ in Lakhs)			
Particulars	As at March 31, 2024		As at March 31, 2023		
Total Outstanding dues of Small and Micro Enterprises		2,068.51		2,140.17	
Total Outstanding dues of Creditors other than Small and Micro Enterprises		12,317.92		11,910.05	
Total		14,386.43		14,050.22	
Trade Payables ageing schedule as on March 31, 2024		(₹ 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	1,971.60	68.79	23.86	4.26	2,068.51
(ii) Others	7,172.49	3,332.73	372.88	235.94	11,114.04
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	9,144.09	3,401.52	396.73	240.20	13,182.55
Unbilled trade payables (other than micro and small enterprises)					1,203.88
Grand Total					14,386.43
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	-	-	-	-	-
Total	11,550.65	1,042.17	295.08	176.30	13,064.21
Unbilled trade payables (other than micro and small enterprises)					986.02
Grand Total					14,050.23
18 Other Financial Liabilities-Current		(₹ in Lakhs)			
Particulars	As at March 31, 2024		As at March 31, 2023		
Salary and Employee benefits payable		405.08		384.42	
Unclaimed Share Money on Fraction Shares (Refer note 37)		3.31		3.31	
Interest accrued on borrowings		320.22		65.79	
Unredeemed Preference Shares*		630.00		630.00	
Creditors for Capital Expenditure		139.50		203.74	
Other Payables (Interest on MSME and other parties)		265.28		302.90	
Total		1,763.39		1,590.16	
* 9% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each ("NCRPs") aggregating to ₹ 630 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, 2024		As at March 31, 2023		
Advances From Customers		1,047.00		1,069.22	
Unredeemed Gift Vouchers		-		74.89	
Statutory dues payable		238.37		287.28	
Total		1,285.38		1,431.39	



Notes annexed to and forming part of the financial statements

20 Revenue From Operations			(₹ in Lakhs)
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023	
Sale of Products	21,862.61	37,907.48	
Other Operating Income			
- Income from sale of Non Saleable Merchandises	18.12	147.07	
- Income from expiry of Gift Voucher (Refer note no. 38)	77.03	550.00	
Total	21,957.77	38,604.55	
21 Other Income			(₹ in Lakhs)
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023	
Lease and other liabilities written back	464.63	338.03	
Interest Income	102.78	257.09	
Other Miscellaneous Income	68.75	341.99	
Total	636.16	937.11	
22 Change In Inventories of Stock-In-Trade (Increase)/Decrease			(₹ in Lakhs)
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023	
Opening Inventories			
Stock-In-Trade	6,899.31	14,228.00	
Packing Materials and Others	115.14	117.45	
Closing Inventories			
Stock-In-Trade	5,887.18	6,899.31	
Packing Materials and Others	74.01	115.14	
(Increase)/Decrease	1,053.26	7,331.00	
23 Employee Benefits Expense			(₹ in Lakhs)
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023	
Salaries, Wages and Bonus	3,869.65	5,106.45	
Contribution to Provident and Other Fund (Refer Note No. 29)	206.15	300.02	
Employee Stock Option Expense (Refer Note No. 30)	49.65	273.46	
Gratuity (Refer Note No. 29)	36.94	61.59	
Staff Welfare Expenses	192.90	295.32	
Total	4,355.29	6,036.86	
24 Finance Costs			(₹ in Lakhs)
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023	
Interest on Borrowings	748.45	742.21	
Unwinding Interest on Lease Liabilities	1,290.61	1,079.69	
Unwinding Interest on Financial Instrument at Amortised Cost	-	36.30	
Other interest costs	167.44	317.78	
Total	2,206.50	2,175.98	
25 Other Expenses			(₹ in Lakhs)
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023	
Power & Fuel	1,279.22	1,161.51	
Rent	1,057.30	1,452.62	
Repairs and Maintenance	153.67	120.89	
Insurance	19.77	26.92	
Rates and Taxes	271.93	88.69	
Travelling & Conveyance	223.32	309.27	
Advertisement and Marketing	1,434.64	1,513.98	
House Keeping Charges	278.80	325.30	
Transportation Charges	561.13	1,039.10	
Warehousing & Distribution Charges	510.25	578.72	
Manpower Agency - Staff Hire Charges	259.34	221.91	
Home Delivery Expenses	413.02	523.76	
Legal & Professional	775.65	704.42	
Directors' Sitting Fees	16.90	14.00	
Payment to Auditors	24.11	25.42	
Loss on Foreign Currency translation or transactions	22.26	66.44	
Subvention and Credit Card Charges	468.53	905.80	
Miscellaneous Expenses	995.85	2,401.80	
Total	8,765.68	11,480.55	



Notes annexed to and forming part of the financial statements**26. Fair value measurements:****(a) Financial instruments by category**

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amortised cost	Fair Value	Amortised cost	Fair Value
Financial assets				
Trade Receivables	28.74	-	143.65	-
Cash and cash equivalents	196.07	-	178.54	-
Bank Balance other than Cash and Cash Equivalents above	3.31	-	3.31	-
Other Financial Assets	10,475.95	1,340.29	10,385.79	1,048.59
Total financial assets	10,704.07	1,340.29	10,711.30	1,048.59
Financial liabilities				
Borrowings	7,423.00	-	5,337.79	-
Lease Liabilities	11,186.55	-	10,402.01	-
Trade payables	14,386.43	-	14,050.22	-
Other financial liabilities	1,763.39	-	1,590.16	-
Total financial liabilities	34,759.37	-	31,380.18	-

(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, 2024

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	1,340.29	1,340.29
Other Receivables	-	-	-	-
Total financial assets	-	-	1,340.29	1,340.29
Financial Liabilities				
Borrowings	-	-	-	-
Total financial liabilities	-	-	-	-

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
Financial assets				
Security deposits	-	-	1,048.59	1,048.59
Other Receivables	-	-	-	-
Total financial assets	-	-	1,048.59	1,048.59
Financial Liabilities				
Borrowings	-	-	-	-
Total financial liabilities	-	-	-	-



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.

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 ₹ 63.29 Lakhs and ₹ 568.29 lakhs as on March 31, 2024 respectively and ₹ 143.65 Lakhs and ₹ 698.86 lakhs as on March 31, 2023 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, 2024	Less than 1 year	More than 1 Year	Total
Interest bearing borrowings*	7,743.22	-	7,743.22
Trade Payables	14,386.43	-	14,386.43
Lease Liabilities	2,999.91	17,744.26	20,744.17
Other Financial Liabilities	1,763.39	-	1,763.39
Total	26,892.95	17,744.26	44,637.21



(₹ in Lakhs)			
March 31, 2023	Less than 1 year	More than 1 Year	Total
Interest bearing borrowings*	4,854.26	549.32	5,403.58
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
Total	23,589.61	14,257.46	37,847.07

*Includes contractual interest payment based on the interest rate prevailing at the reporting date.

(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, 2024	As at March 31, 2023
Variable Rate Borrowings	-	3,117.79
Fixed Rate Borrowings	7,423.00	2,220.00
Total	7,423.00	5,337.79

(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, 2024	As at March 31, 2023
Interest rates increase by 100 basis points	-	31.18
Interest rates decrease by 100 basis points	-	(31.18)

(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)

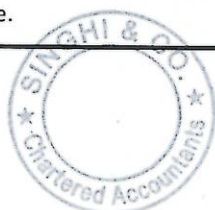
Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payable		
US Dollar (USD)	7.57	1.44

A 5% strengthening in USD will decrease the profit for the year by ₹ 31.50 Lakhs (March 31, 2023 - ₹ 5.93 Lakhs) and a 5% weakening in USD will increase the profit for the year by ₹ 31.50 Lakhs (March 31, 2023 - ₹ 5.93 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.

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, 2024	As at March 31, 2023
Borrowings	7,423.00	5,337.79
Less: Cash and Cash Equivalents	196.07	178.54
Net Debt (A)	7,226.93	5,159.24
Equity	6,260.91	3,783.51
Other Equity	(10,578.44)	(5,578.48)
Total Capital (B)	(4,317.53)	(1,794.98)
Gearing Ratio (C = A/B)	-1.67	-2.87

(B) **Dividends:** The Company has not paid any dividend since its incorporation.

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.

Contribution to defined contribution plans, recognised as expense for the year is as under :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Provident fund	169.17	240.02
Contribution to ESIC	24.72	46.18
Contribution to NPS	11.85	13.18
Contribution to LWF	0.41	0.64
Total	206.15	300.02

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

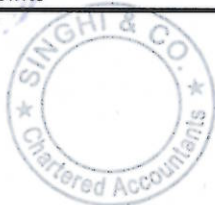
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total Expenses Recognised in the Statement of Profit and Loss	-	26.91



(ii) Gratuity		
<p>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.</p> <p>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.</p>		
(a) Change in Present Value of Defined Benefit Obligations		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation at the beginning of the year	169.07	274.93
Service Cost	24.72	42.22
Interest Cost	12.22	19.38
Benefits Paid	(77.71)	(229.16)
Re-measurement-Actuarial (gains)/losses	49.11	61.70
Defined Benefit Obligation at the end of the year	177.41	169.07
(b) Net Defined Benefit Liability / (Assets)		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation	177.41	169.07
Fair value of Plan Assets	-	-
(Surplus) / Deficit	177.41	169.07
Effects of Assets Ceiling	-	-
Net Defined Benefit Liability / (Assets)	177.41	169.07
(c) Total Expenses Recognised in the Statement of Profit and Loss		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Current Service Cost	24.72	42.22
Net interest on the net defined benefit liability/assets	12.22	19.38
Total Expenses Recognised in the Statement of Profit and Loss	36.94	61.60
(d) Remeasurement effects recognised in Other Comprehensive Income (OCI)		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Actuarial (Gains)/Losses	11.37	65.90
Gain / (Loss) from change in financial assumptions	3.08	(4.20)
Gain / (Loss) from change in demographic assumptions	34.66	-
Total (Gain) / Loss included in OCI	49.10	61.70



(e) Reconciliation of Amounts in Balance Sheet		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation at the beginning of the year	169.07	274.93
Defined Benefit cost included in Profit and Loss	36.94	61.60
Total amount included in OCI	49.10	61.70
Benefits paid	(77.71)	(229.16)
Defined Benefit Obligation at the end of the year	177.40	169.07
(f) Reconciliation of Amounts in Statement of Other Comprehensive Income		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
OCI (Income) / Loss at the beginning of the year	(8.36)	(70.06)
Total Remeasurement included in OCI	49.10	61.70
OCI (Income) / Loss at the end of the year	40.75	(8.36)
(g) Expected Maturity Profile of Defined Benefit Obligation		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Year 1	21.80	11.41
Year 2	22.87	10.75
Year 3	24.12	11.98
Year 4	29.10	20.23
Year 5	32.30	19.46
Years 6 to 10	162.90	142.78
Above 10 Years	432.58	1,136.72
(h) Assumptions		
Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.19%	7.48%
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 : 9%	Service < 5 Years : 28% Service > 5 Years : 3%
Retirement age	58 Years	58 Years
(i) Sensitivity Analysis		
(₹ in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation at the end of the year	177.40	169.07
Discount Rate	7.19%	7.48%
Expected rate of Salary increase	2% flat	2% flat
Discount Rate		
Discount Rate -100 basis points	188.82	186.86
Discount Rate +100 basis points	167.18	153.77
Salary increase rate		
Rate -100 basis points	167.45	153.65
Rate +100 basis points	188.27	186.66



Notes annexed to and forming part of the financial statements**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 Rs.5/- each. The exercise price of each option is Rs.176/- (including Rs. 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 & 2023-24, 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.

The following share-based payment arrangements have outstanding options as on Balance Sheet date.

Option Series	Number of Options outstanding as on March 31, 2024	Number of Options outstanding as on March 31, 2023	Grant Date	Vesting Date	Exercise Price (₹)	Fair Value at Grant Date (₹)
Praxis SVAR Plan - 2018	6,500	18,750	27-03-2019	*	176.00	88.40
Praxis Employee Stock Option Plan -2021	1,12,500	7,85,000	27-01-2022	**	5.00	62.10

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	As at March 31, 2024	As at March 31, 2023
Outstanding at the beginning of the year	8,03,750	12,80,500
Granted During the year	-	1,00,000
Expired /cancelled during the year	3,22,250	2,14,750
Exercised during the year	3,62,500	3,62,000
Outstanding at the end of the year	1,19,000	8,03,750
Exercisable at the end of the year	6,500	1,13,125

The share options outstanding at the end of the year had a weighted average remaining contractual life of 1,373 days (2023 : 1,483 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)
	For 5 year vesting period	For 3 year vesting period
Risk Free Interest Rate	7.12%	5.72%
Expected Life	5.85 Years	3.4 Years
Expected Volatility	46.10%	55.94%
Dividend Yield	0.00%	0.00%
Exercise Price	176.00	5.00

(d) Compensation Expenses arising on account of the Share Based Payments

₹ in lakhs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Expenses arising from equity – settled share-based payment transactions	49.65	273.46

31. Earnings Per Share (EPS)

Statement of Calculation of Basic and Diluted EPS is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Profit/(Loss) for the year (Rs in Lakhs)	(8,571.25)	(2,101.39)
Weighted average number of Equity Share for Basic EPS	11,36,01,091	7,53,52,326
Nominal Value per Equity Share (Rs)	5/-	5/-
Earning/(Loss) per Equity Share - Basic (Rs)	(7.35)	(2.68)
Add: Weighted average number of potential equity shares on account of Employee stock option scheme and Equity warrants*	94,10,529	8,46,823
Weighted average number of Equity Share for Diluted EPS	11,36,01,091	7,53,52,326
Nominal Value per Equity Share (Rs)	5/-	5/-
Earning/(Loss) per Equity Share - Diluted (Rs)	(7.35)	(2.68)

* As the effect of the weighted average number of potential equity share on account of ESOP and equity warrants are anti-dilutive in nature for year ended March 31, 2024 and 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

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current Assets		
Non-Financial Assets		
Property, Plant and Equipment	-	1,135.96
Current Assets		
Financial Assets		
Trade receivables	-	143.65
Cash and bank balances	-	178.54
Other financial assets	-	10,608.42
Non-Financials Assets		
Inventories	-	6,633.64
Other current assets	-	1,179.87
Total assets pledged as security	-	19,880.09

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, 2024			March 31, 2023		
	Office Equipments	Buildings	Total	Office Equipments	Buildings	Total
Opening Balance	-	10,364.48	10,364.49	1,269.59	9,112.29	10,381.88
Additions	-	7,195.40	7,195.40	-	9,422.30	9,422.30
Modifications	-	(935.19)	(935.19)	-	(4,391.05)	(4,391.05)
Deletions	-	(2,634.96)	(2,634.96)	(1,269.59)	(458.91)	(1,728.49)
Depreciation Expenses	-	(3,263.84)	(3,263.84)	-	(3,320.15)	(3,320.15)
Balance at the end of the year	-	10,725.89	10,725.89	-	10,364.48	10,364.48

(b) Carrying amounts of lease liabilities and the movements during the year (₹ in lakhs)		
Particulars	March 31, 2024	March 31, 2023
Opening Balance (Buildings and Office Equipments)	10,402.01	12,574.56
Additions	6,990.47	8,366.39
Modifications	(985.80)	(5,900.83)
Finance Charge accrued during the year	1,290.61	1,079.69
Payment of Lease Liabilities	(3,946.24)	(3,696.04)
Deletions	(2,564.49)	(2,021.74)
Balance at the end of the year	11,186.56	10,402.01
Current	2,999.91	3,094.97
Non-current	8,186.64	7,307.04

The effective interest rate for lease liabilities is in the range of 10.15% to 11.50% as on 31 March 2024 (10.15% to 11% as on March 31, 2023)

(c) The following are the amounts recognised in statement of profit and loss (₹ in lakhs)		
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation expense of Lease assets	3,263.84	3,320.15
Interest expense on Lease liabilities	1,290.61	1,079.69
Expense relating to short term leases/Variable Lease Payments (included in Rent including Lease Rentals)	1,057.30	1,452.62
Total amount recognised in statement of profit and loss	5,611.75	5,852.46

(d) Following table provides information on the Company's variable Lease payments including the magnitude in relation to fixed payments (₹ in lakhs)		
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Fixed rent	2,835.48	2,578.75
Variable rent with minimum payment	1,452.09	1,788.32
Variable rent only	555.34	719.47

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.

(e) 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.

(f) Set out below are undiscounted future rental payments in respect of lease for Premises, Stores and Warehouses are as follows:-

(f) 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, 2024	As at March 31, 2023
The total future minimum lease rent payable at the Balance Sheet date :		
- For a period not later than one year	2,999.91	3,094.97
- For a period later than one year and not later than 5 years	5,613.99	5,218.38
- For a period later than five years	12,130.28	8,489.76



Notes annexed to and forming part of the financial statements

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, 2024	March 31, 2023
Principal amount due to suppliers as at the year end	2,068.51	2,140.17
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	18.01	202.97
Payment made to suppliers (other than interest) beyond the appointed date under Section 16 of MSMED	4,639.20	4,718.05
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	4,639.20	4,718.05
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	18.01	247.27
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	18.01	247.27

36. Income Tax Expense**(i) Income Tax recognised in Statement of Profit and Loss**

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax expense		
Current Tax	-	-
Deferred Tax :		
Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
Income Tax relating to Other Comprehensive Income	-	-
Total Income Tax Expense/(Income)	-	-



(ii) Reconciliation of Tax Expenses

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit/(Loss) before tax	(8,571.25)	(2,101.39)
Applicable Tax Rate	25.17%	25.17%
Tax at the Indian tax rate	(2,157.38)	(528.92)
Expenses not allowed for tax purposes:		
Provision for Advances	(23.73)	75.50
Provision for Doubtful debts	-	85.11
Provision for Inventory	54.76	77.07
Interest payable to MSMED	4.53	62.13
Interest on ITC reversal (GST)	37.61	40.34
Lease Accounting as per IND AS 116	153.08	177.13
Diasallowance u/s 40	59.62	65.22
Gratuity paid during the year	(10.26)	(42.17)
Interest Income as per IND AS 109	(29.78)	(63.34)
Depreciation	39.49	31.81
Lease Liability Written back	(40.30)	-
Non Payment of MSME Due as on March'24	569.21	-
Interest on Lease liability	324.82	-
Reversal of ROU & Lease liability	-	(348.86)
Unabsorbed Depreciation on which no DTA recognised	52.45	39.28
Others	2.29	(26.84)
Business loss on which no deferred tax asset is recognized	963.43	356.51
Utilisation of bought forward losses	-	-
Tax Expense charged to the Statement of Profit and Loss	-	-

(iii) Year wise expiry of such losses as at March 31, 2024 is as under:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax asset on following Business loss & Unabsorbed Depreciation not recognized		
Business Loss:		
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
Expiring within AY 29-30	9,607.15	9,607.15
Expiring within AY 30-31	-	-
Expiring within AY 31-32	2,961.86	2,961.86
Expiring within AY 32-33	4,021.11	-
Unabsorbed Depreciation:		
Without expiry limit	821.79	611.85
Total	32,213.22	27,982.18



Praxis Home Retail Limited

(iv) Components of Deferred Tax Assets			(₹ in Lakhs)
Particulars	As at March 31, 2024	As at March 31, 2023	
Deferred Tax Assets on account of :			
Unabsorbed brought forward losses	7,851.99	6,889.11	
Unabsorbed Depreciation	206.44	154.00	
Property plant and Equipment	64.73	40.37	
Provision for Leave Encashment	(2.29)	(22.95)	
Provision for Gratuity	(10.26)	(42.18)	
Provision for Advances	-	75.51	
Provision for Doubtful debts	(23.73)	85.11	
Provision for Inventory	54.76	77.07	
Lease Accounting as per IND AS 116	153.08	177.13	
Closing balance	8,294.72	7,433.18	

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.

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 :

(i) Companies exercising significant influence over Praxis Home Retail Limited	i) Surplus Finvest Private Limited ii) Future Corporate Resources Private Limited (through direct holding/ holding through its subsidiary)
(ii) Person having influence over Companies mentioned above	Shri Kishore Biyani

(b) Other related parties where transactions have taken place during the year

(i) Enterprises over which Companies/individual described in (a) have control/significant influence	1. Future Retail Limited
	2. Future Lifestyle Fashions Limited
	3. Future Generali India Insurance Company Limited
	4. U2L Learning Solutions Limited
	5. Future Supply Chain Solutions Limited
	6. Future Enterprises Limited
	7. Future Market Networks Limited
	8. Ojas Tradelease and Mall Management Pvt Ltd
	9. Future Brands Limited
	10. Nufuture Digital (India) Limited
	11. City Centre Mall Nashik Private Limited (upto March 21, 2023)
	12. Future Coupons Limited
	13. Smartsters Private Limited
	14. Nubusiness Ventures Pvt. Ltd.
	15. Surplus Finvest Private Limited
	16. Future Consumer Limited
	17. Future Media (India) Limited
	18. Future Capital Investment Private Limited
	19. FDRT Consultancy Services Limited
	20. Future Hospitality Private Limited
	21. Future Ideas Company Limited



Praxis Home Retail Limited

(c) Key Management Personnel :

Mr. Mahesh Shah (Managing Director) upto October 31, 2023
 Mr. Swetank Jain (Chief Executive Officer and Whole Time Director) from September 1, 2023
 Mr. Samir Kedia (Chief Financial Officer)
 Ms. Smita Chowdhury (Company Secretary and Compliance Officer) upto March 2, 2023
 Ms. Sanu Kapoor (Company Secretary) w.e.f March 23, 2023

(d) Directors :

Mr. Mahesh Shah (from November 1, 2023) (Chairman and Non-Executive Director)
 Ms. Anou Singhvi (Independent Director)
 Ms. Avni Biyani (upto December 8, 2022) (Non-Executive Non-Independent Director)
 Mr. Harminder Sahnii (upto March 20, 2024) (Independent Director)
 Mr. Jacob Mathew (Independent Director)
 Mr. Shrirang Sarada (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) (Non-Executive Non-Independent Director)

1. Transaction with Related Parties

(₹ in Lakhs)

Nature of Transactions	Companies exercising significant influence	Enterprises over which Companies/individual described in (a) have control/significant influence	Key Management Personnel
Purchases	-	320.43	-
	-	(793.07)	-
Sales	-	-	-
	-	(823.12)	-
Income from expiry of Gift Voucher **	-	-	-
	-	(550.00)	-
Other Income	-	9.20	-
	-	(14.30)	-
Rent	-	157.00	-
	-	(553.55)	-
Other Expenses	-	69.34	-
	-	119.59	-
Insurance Premium	-	10.62	-
	-	(10.62)	-
Provision for Doubtful Advances	-	-	-
	-	(300.00)	-
Interest Expenses	78.82	388.34	-
	(197.48)	(3.15)	-
Inter-Corporate Deposit - Taken	150.00	4,290.00	-
	(550.00)	(500.00)	-
Inter-Corporate Deposit - Repaid	1,485.00	880.00	-
	(480.00)	-	-
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	-	448.34	-
	-	(140.54)	-
Remuneration to Key Managerial Personnel and Directors *	-	-	406.85
	-	-	(461.58)
Closing Balance as on March 31, 2024			
Equity Shares held in the Company	1,500.63	225.67	-
	(1,234.76)	(612.06)	-



Security Deposit Receivable	-	10,149.74	-
	-	(10,149.74)	-
Trade Payable	-	3,307.57	-
	-	(3,813.02)	-
Advance given	-	331.97	-
	-	(331.97)	-
Provision for Doubtful Advances	-	300.00	-
	-	(300.00)	-
Inter-Corporate Deposit - Taken (including interest accrued)	402.54	4,108.54	-
	(1,765.80)	(502.84)	-

* Remuneration does not include post-employment benefits, as they are determined on an actuarial basis for the Company as a whole.

** The GV was expired in FY22-23 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	FY23-24			
	ESOPs outstanding as on 1/4/23	ESOP Granted/(Exercised)	ESOPs Lapsed/Cancelled	ESOPs outstanding as on 31/3/24
Mahesh Shah	4,00,000	(2,50,000)	(1,50,000)	-
Samir Kedia	1,35,000	(67,500)	-	67,500
Total	5,35,000	(3,17,500)	(1,50,000)	67,500

Particulars	FY22-23			
	ESOPs outstanding as on 1/4/22	ESOP Granted/(Exercised)	ESOPs Lapsed/Cancelled	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)	-
Total	7,57,000	(2,02,000)	(20,000)	5,35,000

2. Significant Related Party Transactions

A. Purchases includes purchase from Future Retail Limited ₹ Nil (2023: ₹ 3.86 lakhs), Smartsters Private Limited ₹ 320.43 lakhs (2023: ₹ 98.73 lakhs) & Transportation and Warehousing services includes to Future Supply Chain Solutions Limited ₹ Nil (2023: ₹ 690.48 lakhs).

B. Sales includes sale to Future Supply Chain Solutions Limited ₹ Nil (2023: ₹ 822.37 lakhs) and Future Ideas Company Limited ₹ Nil (2023: ₹ 0.75 lakhs).

C. Income from expiry of Gift Voucher from Future Coupons Limited ₹ Nil (2023 : ₹ 550.00 lakhs)

D. Other Income includes income from U2L Learning Solutions Limited (Rental Income) ₹ 9.20 lakhs (2023: ₹ 14.30 lakhs).

E. Rent expenses from Future Lifestyle Fashions Limited ₹ Nil (2023: ₹ 223.67 lakhs), Future Market Networks Limited ₹ 119.07 lakhs (2023: ₹ 186.93 lakhs) and Ojas Tradelease and Mall Management Private Limited ₹ 37.92 lakhs (2023: ₹ 66.05 lakhs).

F. Other Expenses from U2L Learning Solutions Limited (Training & Development Expenses) ₹ 65.23 lakhs (2023: ₹ 56.09 lakhs), Future Market Network Limited ₹ 3.83 lakhs (Advertisement Expenses) (2023: ₹ 2.48 lakhs), Future Ideas Company Limited (Employee welfare expenses) ₹ 0.28 lakhs (2023: ₹ Nil) and Future Brands Limited ₹ Nil (Royalty Expenses) (2023: ₹ 2.57 lakhs).

G. Insurance Premium paid to Future Generali India Insurance Company Limited ₹ 10.62 lakhs (2023: ₹ 10.62 lakhs).

H. Provision for Doubtful Advances includes amount against Future Enterprises Limited ₹ Nil (2023: ₹ 300.00 lakhs).

I. Interest expenses include interest paid/payable to Future Capital Investment Private Limited ₹ 128.68 lakhs (2023: ₹ Nil), FDRT Consultancy Services Limited ₹ 98.89 lakhs (2023: ₹ Nil), Future Hospitality Private Limited ₹ 55.63 lakhs (2023: ₹ Nil), Future Market Networks Limited ₹ 0.39 lakhs (2023: ₹ Nil), Nubusiness Ventures Private Limited ₹ 104.75 lakhs (2023: ₹ 3.15 lakhs) and Surplus Finvest Private Limited ₹ 78.82 lakhs (2023: ₹ 197.48 lakhs).

J. Inter-Corporate Deposit Taken from Future Capital Investment Private Limited ₹ 1,300.00 lakhs (2023: ₹ Nil), FDRT Consultancy Services Limited ₹ 1,440.00 lakhs (2023: ₹ Nil), Future Hospitality Private Limited ₹ 900.00 lakhs (2023: ₹ Nil), Future Market Networks Limited ₹ 250.00 lakhs (2023: ₹ Nil) Nubusiness Ventures Private Limited ₹ 400.00 lakhs (2023: ₹ 500.00 lakhs) and Surplus Finvest Private Limited ₹ 150.00 lakhs (2023 : ₹ 550.00 lakhs).

K. Inter-Corporate Deposit Repaid to FDRT Consultancy Services Limited ₹ 880.00 lakhs (2023: ₹ Nil) and Surplus Finvest Private Limited ₹ 1,485.00 lakhs (2023 : ₹ 480.00 lakhs).



Praxis Home Retail Limited

L. Liabilities no longer required written back includes amount against Ojas Tradelease and Mall Management Private Limited ₹ 96.06 lakhs (2023: ₹ Nil), Future Enterprises Limited ₹ Nil (2023: ₹ 1,724.17 lakhs), Future Ideas Company Limited ₹ Nil (2023: ₹ 4.89 lakhs) and Future Consumer Limited ₹ Nil (2023: ₹ 1.57 lakhs).

M. Balances no longer required written off includes amount against Future Media (India) Limited ₹ Nil (2023: ₹ 0.71 lakhs)

N. Expenses incurred in behalf of related parties includes amount paid on behalf of Future Supply Chain Solutions Limited ₹ Nil (2023: ₹ 56.11 lakhs), Future Lifestyle Fashions Limited ₹ 448.34 lakhs (2023: ₹ 220.53 lakhs) and Future Retail Limited ₹ Nil (2023: ₹ 84.43 lakhs)

O. Managerial Remuneration includes Mr. Mahesh Shah ₹ 139.33 lakhs (2023 : ₹ 287.67 lakhs), Mr. Swetank Jain ₹ 110.19 lakhs (2023: ₹ Nil), Mr. Samir Kedia ₹ 106.30 lakhs (2023: ₹ 140.29 lakhs), Ms. Smita Chowdhury ₹ Nil (2023: ₹ 18.09 lakhs) and Ms. Sanu Kapoor ₹ 34.13 lakhs (2023: ₹ 0.93 lakhs).

For the year ended March 31, 2023, the above numbers are in the nature of Short term employee benefits ₹ 371.74 lakhs (2023: ₹ 409.84 lakhs) and share based payments ₹ 18.21 lakhs (2023: ₹ 37.14 lakhs) as per IND AS 24. Managerial remuneration does not include provision for gratuity and compensated absences.

Director Sitting fees paid to Mr. Sarda Shrirang Kisanlal ₹ Nil (2023: ₹ 2.10 lakhs), Mr. Mahesh Shah ₹ 1.50 lakhs (2023: ₹ Nil), Mr. Jacob Mathew ₹ 4.10 lakhs (2023: ₹ 3.60 lakhs), Mr. Harminder Sahni ₹ 3.90 lakhs (2023: ₹ 4.80 lakhs), Ms. Anou Singhvi ₹ 3.20 lakhs (2023: ₹ 3.20 lakhs), Ms. Avni Biyani ₹ Nil (2023: ₹ 0.60 lakhs), Ms. Lynette Monteiro ₹ 1.80 lakhs (2023: ₹ Nil), Mr. Samson Samuel ₹ 2.40 lakhs (2023: ₹ 0.30 lakhs).

P. Equity shares held in the Company - Surplus Finvest Private Limited ₹ 1,479.85 lakhs (2023: 896.88 lakhs), Future Corporate Resources Private Limited ₹ 20.78 lakhs (2023: 337.87 lakhs), Future Hospitality Private Limited ₹ 225.67 lakhs (2023: ₹ 612.06 lakhs), Kishore Biyani ₹ 0.01 lakhs (2023: 0.01 lakhs).

Q. Security Deposit receivable from Future Enterprises Limited, amounting to ₹ 10,100.00 lakhs (2023: ₹ 10,100.00 lakhs) and Future Market Network Limited, amounting to ₹ 49.74 lakhs (2023: ₹ 49.74 lakhs).

R. Trade Payables includes payable to Future Supply Chains Solutions Limited of ₹ 1,519.71 lakhs (2023: ₹ 1,519.71 lakhs), Future Lifestyle Fashions Limited ₹ 610.59 lakhs (2023: ₹ 1,033.78 lakhs) and Provisions ₹ 729.05 lakhs (2023: ₹ 445.65 lakhs), Future Retail Limited ₹ 240.57 lakhs (2023: ₹ 240.47 lakhs), Future Enterprises Limited ₹ Nil (2023 : ₹ Nil), Smartsters Private Limited ₹ 133.90 lakhs (2023: ₹ 18.77 lakhs), Ojas Tradelease and Mall Management Private Limited ₹ Nil (2023: ₹ 98.83 lakhs) and Provisions of ₹ 17.01 lakhs (2023: ₹ Nil), Future Market Networks Limited ₹ 80.86 lakhs (2023: ₹ 384.95 lakhs) and Provisions ₹ 5.21 lakhs (2023: ₹ 8.54 lakhs), Nufuture Digital (India) Limited of ₹ 24.52 lakhs (2023: ₹ 54.23 lakhs), U2L Learning Solutions Limited ₹ 15.28 lakhs (2023: ₹ 6.33 lakhs) and Future Brands Limited ₹ 1.76 lakhs (2023: ₹ 1.76 lakhs).

S. Advances given includes lease rental advances to Future Enterprises Limited ₹ 331.97 lakhs (2023: ₹ 331.97 lakhs) and Ojas Tradelease and Mall Management Private Limited ₹ 11.95 lakhs (2023: ₹ Nil).

T. Provision for Doubtful Advances against lease rental advances given to Future Enterprises Limited ₹ 300.00 lakhs (2023: ₹ 300.00 lakhs).

U. Inter-Corporate Deposit Taken (including Interest accrued) Outstanding from Future Capital Investment Private Limited ₹ 1,370.39 lakhs (2023: ₹ Nil), FDRT Consultancy Services Limited ₹ 590.32 lakhs (2023: ₹ Nil), Future Hospitality Private Limited ₹ 948.73 lakhs (2023: ₹ Nil), Future Market Networks Limited ₹ 250.35 lakhs (2023: ₹ Nil), Nubusiness Ventures Private Limited ₹ 948.73 lakhs (2023: ₹ 502.84 lakhs), Surplus Finvest Private Limited ₹ 402.54 lakhs (2023: ₹ 1,765.80 lakhs).

39. Payment to the Auditors (excluding GST)

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
For Statutory Audit	14.50	17.00
For Limited Review (includes ₹ 3.00 lakhs pertaining to erstwhile Statutory Auditor during Year ended March 31, 2023)	7.50	8.00
For Certifications	1.20	-
Out of pocket expenses	0.91	0.42
Total	24.11	25.42

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 ₹ 444.00 Lakhs (2023: ₹ 360.00 Lakhs).

b. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as on March 31, 2024 (2023):

Capital Commitments - ₹ 365.43 lakhs (2023: ₹ 178.77 lakhs)

(ii) Contingent Liability:

(a) The Company has not provided for Income Tax demand excluding contingent interest of ₹ 113.80 lakhs (2023: ₹ 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.

(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 May 6, 2024.

(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 financial year 2022-23, 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 financial year 2022-23, 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, 2024	Year Ended March 31, 2023
Type of Goods or Service		
Sale of Goods (net of tax)	21,862.61	37,907.48
Other Operating Income	95.16	697.07
Total revenue from contracts with customers	21,957.77	38,604.55
India	21,957.77	38,604.55
Outside of India	-	-
Total revenue from contracts with customers	21,957.77	38,604.55
Timing of revenue recognition		
Goods transferred at a point in time	21,957.77	38,604.55
Services transferred over time	-	-
Total revenue from contracts with customers	21,957.77	38,604.55



2. Contract Balances		
Particulars	₹ in lakhs	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Trade Receivables	28.74	143.65
Contract Liabilities (Advance from Customers):		
Opening Balance	1,144.10	2,295.66
Closing Balance	1,047.00	1,144.10
Net (Increase)/Decrease	97.10	1,151.56

Note - During year ended March 31, 2024, revenue recognized is ₹ 1,144.10 lakhs and advances collected is ₹1,047.00 lakhs. 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.

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 cash loss of ₹ 4,942.12 lakhs during the year ended March 31, 2024. Further, 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 current period, the Company has raised funds through rights issue of equity shares and issue of share warrants to improve its liquidity position. 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. Accordingly, the financial results of the Company have been prepared on a going concern basis.

45. Rights Issue

The Company in its Letter of Offer dated May 26, 2023 offered 4,91,85,572 Equity shares by way of rights issue at a face value of ₹ 5 each and a price of ₹ 10 per equity share (including a premium of ₹ 5 per equity share). The issue opened on June 6, 2023 and closed on June 14, 2023. The Company allotted 4,91,85,572 equity shares of face value of ₹ 5 each on the basis of allotment approved by Committee of Directors of the Board of Directors of the Company on June 22, 2023, aggregating to ₹ 4,918.55 Lakhs including Securities Premium of ₹ 2,459.28 Lakhs. As on March 31, 2024, the net proceeds has been fully utilised towards the stated objectives of repayment of outstanding trade payables and general corporate purposes.

46. Preferential Allotment

Pursuant to the Shareholders' approval in the Extraordinary General Meeting on July 22, 2023, the Company on August 3, 2023 issued and allotted 4,00,00,000 Equity Share Warrants of ₹ 16 each Warrant to the Specified Investors - 1) Mr. Mathew Cyriac (3,96,00,000 Warrants) & 2) Mr Naveen Jain (4,00,000 Warrants), on preferential allotment basis, on receipt of 25% (₹ 1,600 lakhs) of the total consideration price (₹ 6,400 lakhs) for the Equity Share Warrants. The Warrants shall be converted into equity shares at a conversion price of ₹ 16 per equity share on receipt of the remaining consideration of 75% within a period of 18 months from the date of allotment of Warrants.

47. Subsequent Events

i. Proposed Preferential Allotment

Pursuant to the Shareholders' approval in the Extraordinary General Meeting on April 27, 2024, the Company on May 10, 2024 issued and allotted 45,07,629 Convertible Warrants at a price of ₹ 43.26/- each Warrant to the Specified Investor - Bennett Coleman And Company Limited, on preferential allotment basis, on receipt of 25% (₹ 487.50 lakhs) of the total consideration price (₹ 1,950 lakhs). The Warrants shall be converted into equity shares at a conversion price of ₹ 43.26/- per equity share on receipt of the remaining consideration of 75% within a period of 18 months from the date of allotment of Warrants.

48. 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 ₹ 2,277.83 lakhs and ₹ 2,124.12 lakhs respectively along with the simultaneous reversal of such amounts from purchases / trade payables.



Praxis Home Retail Limited

49. Till year ended March 31, 2023, the Company has a practice to load the overheads, under standard cost method, in the inventories by increasing the costs of purchases of stock in trade, including costs which were yet to be incurred by it. Subsequently, as and when the actual costs were incurred towards supply chain for such purchases, they were getting added at that point in time with the cost of purchases of stock in trade, rather than being charged in the respective line items of statement of profit & loss. From year ended March 31, 2024 onwards, to comply with the requirements of Ind AS, the Company has stopped such practice and has identified and reversed all such overheads aggregating to ₹ 838.51 lakhs which were lying in its opening inventories of ₹ 6,633.64 lakhs. As per the requirements of Ind AS, such rectification which pertains to the past periods is required to be carried out in the comparative financial statements in the line item of “(increase) / decrease in inventories of stock in trade” and “purchases of stock in trade” to make it comparable with the current year’s financial statements and restating the opening inventories and networth of the Company as on April 1, 2022 and March 31, 2023. However, the Company found it more prudent not to restate the financial statements and to charge the costs in the current financial year as an exceptional item.

Exceptional items for the year ended March 31, 2024 includes ₹ 838.51 lakhs reversal of overheads as explained above and 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 trade payables as approved by the Board of Directors.

50. During the quarter, the performance of the Company was abnormal due to shortage of inventory and liquidity. Pursuant to which there is an increase in losses in the current quarter as compared to the preceding periods. Most of the stores of the Company were running into losses during this period, which may trigger up the requirement for providing impairment on Right of Use (ROU) Assets of ₹ 10,725.90 lakhs. However, as management has raised funds of ₹ 4,918.55 lakhs through Right Issue in the quarter ended June 30, 2023 and is in the process of raising further funds of ₹ 4,800 lakhs through outstanding balances of issued warrants, it is confident that the liquidity and profitability position of the Company will improve in the next financial year. And hence, it envisages that there may not be a need arising to provide any impairment on ROU in the current quarter / current financial year.

51. Resolution Professional (RP) of Future Lifestyle Fashions Limited (“FLFL”) has filed an Interlocutory Application against the Promoter, Mr. Kishore Biyani and Praxis Home Retail Limited (“Respondents”) before Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”), in the matter relating to Corporate Insolvency Resolution Process initiated against FLFL, which is received by the Company on 4 January 2024. In the said Interlocutory Application filed against the Respondents, the RP has prayed to NCLT to treat the transactions carried out by the erstwhile directors of the Corporate Debtor as fraudulent transactions, in accordance with Section 66 of the Code and has sought directions from NCLT directing the Respondents to pay the amount due to FLFL to the tune of ₹ 23.21 Crore along with interest. The Company is in the process of seeking legal advice and is taking appropriate steps to contest this matter. Till the time the claim is not substantiated, it is considered as contingent liability.

52. 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.

53. The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 during the year ended March 31, 2024. However, it had a transaction of ₹ 4.76 Lakhs with Veteran Facility Management Pvt. Ltd. (a company struck off under section 248 of Companies Act, 2013) during year ended March 31, 2023.

₹ in lakhs

Name of struck off Company	Nature of transaction with struck off Company	Balance outstanding as on March 31, 2024	Balance outstanding as on March 31, 2023	Relationship with the Struck off company
Veteran Facility Management Services Private Limited	Payables	4.76	4.76	NA



Praxis Home Retail Limited

54. Other Statutory informations

- i. The Company does not have any 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.
- 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 (2023: ₹ Nil) towards CSR based on profitability of the Company, against the same ₹ Nil has been spent by the Company.

55. Ratio Analysis

Particulars	Refer note below for variance reasons	March 31, 2024	March 31, 2023	Variance
i) Current Ratio (times)		0.67	0.75	-11%
ii) Debt Equity Ratio (times)	(4)	(1.72)	(2.97)	42%
iii) Debt Service Coverage Ratio (times)	(1)	(1.10)	0.53	-306%
iv) Return on Equity (%)		(280.45)	(244.58)	-15%
v) Inventory Turnover Ratio (times)		1.84	2.06	-11%
vi) Trade Receivables Turnover Ratio (times)	(2)	0.63	1.60	-61%
vii) Trade Payables Turnover Ratio (times)	(3)	0.73	0.91	-21%
viii) Net Capital Turnover Ratio (times)	(5)	(2.35)	(6.20)	62%
ix) Net Profit Ratio (%)	(1)	(35.22)	(13.50)	-161%
x) Return on Capital Employed (%)	(1)	(177.95)	(85.69)	-108%
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
- 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 FY23-24.
- (2) Change in trade receivables turnover ratio was primarily on account of decrease in credit sales.
- (3) Decrease was primarily on account of decrease in purchase of stock-in-trade.
- (4) Debt Equity ratio has changed primarily on account of increase in borrowings and negative shareholders' equity.
- (5) Net Capital turnover ratio changed on account of decrease in operational revenue and increase in negative working capital.



Praxis Home Retail Limited

56. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

57. Previous year figures

Previous year figures have been regrouped and rearranged wherever found necessary to conform to current year's presentation including material regrouping:

₹ in lakhs

Particulars	Prior to re-grouping	Post re-grouping	Difference
Purchase of Stock in Trade	16,317.61	14,126.32	2,191.29
Other expenses	9,289.26	11,480.55	-2,191.29

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 23, 2024

For and on behalf of Board of Directors

Praxis Home Retail Limited

CIN: L52100MH2011PLC212866


Swetank Jain

Chief Executive Officer and Whole Time Director

DIN: 08859745


Samir Kedia

Chief Financial Officer



Mahesh Shah

Chairman and Non-Executive Director

DIN: 01488017


Sanu Kapoor

Company Secretary



INDEPENDENT AUDITOR'S REPORT

To

The Members of **Praxis Home Retail Limited**

1. Disclaimer of Opinion

We have audited the accompanying financial statements of **Praxis Home Retail Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, 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.

We do not express an opinion on the aforesaid financial statements of the Company, because of the significance of the matter described in the Basis for Disclaimer Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the aforesaid financial statements.

2. Basis for Disclaimer of Opinion

- a) As stated in note no. 41 of the financial statements of the Company, it 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 & recognised 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". Further, we are informed by the management that till date the Company has not received any appropriate / adequate response from the lessor towards refunding such amount. Considering these facts and 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. These facts also give rise to material uncertainty as regards possible material adjustments that may be required to be made to the values of recorded security deposits and unrecorded assets and tax implications, if any, arising on account of settlement of such transactions, which could not be recorded in the financial results on account of these being not readily ascertainable. Pursuant to non-receipt of response from the lessor towards refunding the specified amount and non-determination of the ECL provision and availability of balance confirmation, its impact on the losses and EPS of the Company for the quarter and year ended March 31, 2024 and on the other equity as on the balance sheet date, is not ascertainable. This matter was also modified in our report on the financial results for the year ended March 31, 2023.
- b) Balances of trade payables aggregating to Rs. 9,776.20 lakhs and write backs of amounts of Rs. 206.47 lakhs, of respective parties are subject to confirmations and reconciliations, if any, amounts of which are not ascertainable. Hence, we are unable to comment on the correctness of these figures and if any adjustments are required to the said balances as on the March 31, 2024 and related disclosures in the Financial Statements. This matter was also modified in our report on the financial results for the year ended March 31, 2023.



As stated in note no. 50 of the financial statements wherein it is stated that the Company has not created provisions towards impairment on Rights of Use assets (ROU), having value of Rs.

10,725.90 lakhs as on March 31, 2024. The Company has incurred cash losses during the year, its net worth is completely eroded and its current liabilities exceed current assets. In spite of these indicators no assessment of impairment has been carried out. Hence, we are unable to comment upon the impact arising on the loss and EPS for the year ended March 31, 2024 and on the carrying value of ROU & other equity as on March 31, 2024.

- d) As explained in note no. 49 of the financial statements, during the year the Company has rectified the cost of its inventories, whereas as per the earlier practice, overheads including the costs which were yet to be incurred were loaded on a standard rate in the inventory. This approach was not in compliance with Ind AS - 2 "Inventories". Such rectification in the financial statement has not been carried out in accordance with the requirements of Ind AS - 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and Ind AS - 1 "Presentation of Financial Statements" by not restating and presenting the comparative financial statements for an amount of Rs. 838.51 lakhs. This amount has been charged as an exceptional item to the Statement of Profit and Loss, which is also not as per the requirement of Division II of Schedule III. Due to such accounting treatments, losses of the year and other equity as on March 31, 2023 are higher by Rs. 838.51 lakhs, respectively. Impact on the losses of the previous year and on the other equity as on April 1, 2022 and March 31, 2023 of the Company is not known. In addition to this matter, considering the matters described in paragraph 3(a) to 3(c) above, even impact on the EPS of the current year and the previous year is not known. The comparative quarters figures / presentation with regards to these transactions have also not been restated / reclassified.

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.

3. Material Uncertainty Related to Going Concern

We draw attention to note 44 in the financial statements which states that during the year, the company has incurred a cash loss of Rs. 4,942.12 lakhs and its net worth is negative as on the Balance Sheet date. Further, the Company's current liabilities exceeded its current assets by Rs. 10,045.55 lakhs as at the balance sheet date [excluding the effect of the observations stated in paragraph 2(a), 2(c) and 2(d)]. The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next twelve months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.

4. Key Audit Matters

Our report does not include the section of Key Audit Matters, as our opinion is disclaimed, which is in accordance with the requirements of the SA 705, as issued by ICAI.

5. 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.

6. 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.

7. 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. However, because of the significance of the matter described in the Basis for Disclaimer Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the aforesaid financial statements.

We are independent of the Company in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the Company.

8. 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 to the extent applicable

As required by section 143 (3) of the Act, based on our audit we report that:



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit, except to the extent described in the Basis of Disclaimer of Opinion section above, where we were unable to obtain such information;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except to the extent described in the Basis of Disclaimer of Opinion section above and except for the matters stated in the paragraph (h)(iv) below on reporting under Rule 11(g);
- c. 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 which are to be read with the paragraph on the Basis of Disclaimer of Opinion;
- d. Due to the possible effects of the matters described in the paragraph on Basis for Disclaimer of Opinion above, we are unable to state whether 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. The matters described in the basis for Disclaimer of Opinion paragraph including the assessment with regards to material uncertainty about going concern as stated above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164 (2) of the Act;
- g. With respect to the adequacy of the internal financial controls with reference to 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 disclaimer opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
- h. 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;
- i. Except for the possible effects of the matters described in the paragraph on Basis for Disclaimer Opinion above, 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, as disclosed in the note 54(ii) to the financial statements, 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, as disclosed in the note 54(iii) to the financial statements, 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, contains any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination, which included test checks, the Company has used various accounting software(s) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has not operated during the year for all the relevant transactions recorded in the respective software(s). In the absence of adequate information, we are unable to state that there are any instances of audit trail feature being tampered with in respect of these accounting software(s).

In respect of an accounting software, which is hosted at a third-party service provider location, where the activities have been outsourced by the Company, independent service auditors report has been made available to us for the part of the year, however it does not contain any reporting reference in regards to compliance of audit trail feature as prescribed under provision of the Act. Hence, we are unable to comment upon whether the required provisions of the Act regarding audit trail for this software have been complied with in all aspects. With respect to such software, we are also unable to comment upon whether there was any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E



Amit Hundia
Partner
Membership No. 120761
UDIN: 24120761BKCMRA2082
Place: Mumbai
Date: May 23, 2024

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 not been physically verified by the management.
- 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) 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) During the year, physical verification of inventory has been carried out by the management of the Company, at reasonable intervals and the coverage and the procedure of such verification is appropriate. As explained to us and on the basis of the records examined by us, the value of discrepancies noticed on such physical verification by the management did not exceed 10% or more in aggregate for the inventory.
- b) The Company has been sanctioned working capital limits in excess of Rs. 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 (D) 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) During the year the 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) 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) 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:
- 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. 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.
 - 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.
 - Statutory dues referred to in sub- clause (a) above which have not been deposited as on March 31, 2024, on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Amount paid under Protest (Rs. 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	14.36	2.87	FY 2017-18	Appealte Authority State Tax Officer-Delhi
Central Goods and Service Tax Act, 2017	Goods and Service Tax	0.96	0.19	FY 2017-18	Appellate Authority State Tax Officer-Guwahti-Assam
Central Goods and Service Tax Act, 2017	Goods and Service Tax	30.54	6.11	FY 2017-18	Appellate Authority Central GST & Centra Excise - Chhattisgarh
Central Goods and Service Tax Act, 2017	Goods and Service Tax	21.65	4.33	FY 2019-20	Appellate Authority - State tax (Appeal-I) - Ahmedabad - Gujarat
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) 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:
- the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
 - the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
 - 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.
 - no funds raised on short-term basis have been used for long-term purposes by the Company.
 - 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 made issue of share warrants convertible into equity shares by way of preferential allotment and has also made rights issue of equity shares as a part of private placement. In regards to these issues, the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised. Further, other than as stated in this paragraph, in our opinion and according to the information, explanations and representation given to us, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible).
- (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) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us 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 Rs. 4,942.12 lakhs. The effect of unquantified modification 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. Further, the Company has incurred cash losses of Rs. 3,825.44 lakhs in the immediately preceding financial year, which was also determined without considering the effect of the modified opinion issued for the immediately preceding financial year.
- (xviii) During the year, there has been no resignation of the Statutory Auditors.
- (xix) We draw attention to note no. 44 in the financial statements which states that during the year, the company has incurred a cash loss of Rs. 4,942.12 lakhs and its net worth is negative as on the Balance Sheet date. Further, the Company's current liabilities exceeded its current assets by Rs. 10,045.55 lakhs as at the balance sheet date [excluding the effect of the observations stated in paragraph 2(a), 2(c) and 2(d) of the main audit report]. The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. Further considering the financial ratios as disclosed in note 55 to the financial statement and ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statement, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and it may not be 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.
- (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.



Singhi & Co.

Chartered Accountants

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

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E




Amit Hundia
Partner
Membership No. 120761
UDIN: 24120761BKCMRA2082

Place: Mumbai
Date: May 23, 2024

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, 2024 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.

Because of the material and pervasive nature of the matters described in the Basis of Disclaimer of Opinion section in our auditor's report on the accompanying financial statements, we are not able to obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to the accompanying financial statements.

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.

Disclaimer of Opinion



According to the information and explanation given to us and considering the paragraph on the basis of disclaimer of opinion in our auditor's report, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the ICAI. Because of these reasons, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion, whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2024. Accordingly, we do not express an opinion on Internal Financial Controls with reference to the Financial Statement.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2024 and the disclaimer does 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: 24120761BKCMRA2082

Place: Mumbai

Date: May 23, 2024

MATERIAL DEVELOPMENTS

Except as stated in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2024, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

- Allotment of 45,07,629 share warrants convertible into equivalent number of equity shares of Rs.5/- each at an issue price of Rs.43.26 per share on May 9, 2024.
- Resignation of Mr. Swetank Jain as CEO & Whole-time Director w.e.f. August 13, 2024;
- 1,00,00,000 equity shares of Rs.5/- each were issued on October 15, 2024 pursuant to conversion of share warrants;
- Appointment of Mr. Ashish Bhutda as CEO & Whole-time Director w.e.f. November 11, 2024.
- Future Corporate Resources Private Limited – Promoter of the Company, was admitted to insolvency proceedings by the Hon’ble National Company Law Tribunal, Mumbai bench on September 24, 2024.

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ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the Limited Review Unaudited Financial Results and Audited Financial Information. For details see “Financial Statements” on page [●].

Accounting Ratios

Particulars	Based on Unaudited Financial Results	Based on Unaudited Financial Results	Based on Audited Financial Statements	Based on Audited Financial Statements
	For the quarter and six month period ended on September 30, 2024	For the quarter and six month period ended on September 30, 2023 ^	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023
Basic earnings per share (₹)	(0.98)	(3.22)	(7.35)	(2.79)
Diluted earnings per share (₹)	(0.98)	(3.22)	(7.35)	(2.79)
Return on Net Worth (%)	(9.39)	(47.16)	(69.58)	(21.28)
Net Asset Value per Equity Share (₹)	(10.42)	(5.71)	(9.84)	(13.05)
EBITDA (₹ in lakhs)	1,281.78	(614.60)	(2,735.62)	3,677.21

The formula used in the computation of the above ratios are as follows:

Basic earnings per share	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) before exceptional item / Weighted Average number of Equity Shares.
Diluted earnings per share	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) before exceptional item / Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %)	Profit for the Period/Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/ Net worth at the end of the Period/Year.
Net asset value per Equity Share	Net Worth on basis divided by the number of Equity Shares outstanding for the period/year.
EBITDA	Profit for the year before finance costs, tax, depreciation, amortization, and exceptional items as presented in the statement of profit and loss in the Financial Statements.

Calculation of Return of Net Worth

(In ₹ lakh, unless otherwise specified)

Particulars	For the quarter and six month period ended on September 30, 2024	For the quarter and six month period ended on September 30, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit After Tax (A)	(1,225.85)	(3,365.22)	(8,571.25)	(2,101.39)
Net Worth at end of year (B)	(13,053.71)	(7,136.49)	(12,318.90)	(9,873.97)
Return on Net Worth (%) (C=A/B)	(9.39)	(47.16)	(69.58)	(21.28)

Calculation of Net asset value per Equity Share

(In ₹ lakh, unless otherwise specified)

Particulars	As at September 30, 2024	As at September 30, 2023	As at March 31, 2024	As at March 31, 2023
Net Worth at end of	(13,053.71)	(7,136.49)	(12,318.90)	(9,873.97)

year (A)				
No. of Equity Shares outstanding at end of year (in no.) (B) *	12,52,18,184	12,49,55,684	12,52,18,184	7,56,70,112
Net Asset Value per Equity Share (₹) (C=A/B)	(10.42)	(5.71)	(9.84)	(13.05)

**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. The same is not taken into consideration while calculating the number of equity shares.*

Calculation of EBITDA

(In ₹ lakh, unless otherwise specified)

Particulars	For the quarter and six month period ended on September 30, 2024	For the quarter and six month period ended on September 30, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit (Loss) after Tax	(1,225.85)	(3,365.22)	(8,571.25)	(2,101.39)
Add : Tax Expense	-	-	-	-
Add : Finance Costs	1,138.74	968.41	2,206.50	2,175.98
Add : Depreciation and Amortization Expense	1,368.89	1,782.20	3,629.13	3,602.62
EBITDA	1,281.78	(614.60)	(2,735.62)	3,677.21

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the “Financial Statements” beginning on page [●].

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read “Risk Factors” and “Forward Looking Statements” beginning on page [●] and [●], respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards like IFRS and U.S. GAAP. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, (i) the financial information for Financial Year 2024 included herein is based on the Audited Financial Statements and (ii) Unaudited Financial Results of our Company for the quarter and six month period ended on September 30, 2024, included in this Draft Letter of Offer. For further information, see “Financial Statements” beginning on page [●].

Unless otherwise indicated, industry and market data used in this section has been derived from the report “India Home Furniture Market 2024-2029” prepared and released by Mordor Intelligence Private Limited. Certain data in this Draft Letter of Offer is based on reports prepared by third party sources and management estimates. Neither we, nor the Lead Managers, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see “Presentation of Financial and Other Information – Market and Industry Data” beginning on page [●].

OVERVIEW OF OUR BUSINESS

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 November 30, 2024, HomeTown has a pan India presence with 21 stores across 19 cities across 12 states in India. Our Company also operates a web portal for online sale of our products through the website 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.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page [●]. The following are certain factors that had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Factors affecting the home retail industry;
- Increasing competition in the Industry, our business is competitive, and our success is dependent upon our ability to compete against others, including some that have greater resources than we have;
- Our Ability to attract New Customers, Retain Existing Customers and Increase Repeat Purchases;
- Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
- Our Ability to Attract and Maintain Brand Relationships and Manage Our Mix of Product Offerings;
- Changes in fiscal, economic or political conditions in India; and
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.

SIGNIFICANT ACCOUNTING POLICIES

For details about our key significant accounting policies, see section titled “Financial Information” on page [●].

CHANGE IN ACCOUNTING POLICIES

Except as mentioned in chapter “*Financial Information*” on page [●], there has been no change in accounting policies during the quarter and six month period ended on September 30, 2024 and during the Fiscal ended March 31, 2024.

RESERVATIONS, QUALIFICATIONS, MATTER OF EMPHASIS, ADVERSE REMARKS / OTHER OBSERVATIONS IN CARO

The following is the summary of qualifications/ reservation /emphasis of matters/ adverse remarks / other observations in Companies Auditor's Report Order (CARO), 2020, (as applicable) during the quarter and six month period ended on September 30, 2024 and for the Fiscal ended March 31, 2024:

Financial Year / Period	Qualifications / Reservation / Matter of Emphasis / Adverse Remarks / Key Audit Matters / Other Observations in CARO	Impact on the Financial statements of the Company
For Quarter and Six-month period ended on September 30, 2024	<p>Disclaimer of Conclusion</p> <p>We do not express conclusion on the accompanying Statement of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Conclusion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for our conclusion on the Statement.</p> <p>Basis for Disclaimer of Conclusion</p> <p>a) As stated in note no. 5(a) of receivables towards matured lease agreement (which were given in the nature of has not identified & recognised loss allowance for expected credit losses (ECL) on such other receivables, which is not in conformity with the requirements of Ind AS 109 Independent Auditors' Limited Review Report on Unaudited financial results of Praxis ('the Company') (the "Statement") attached herewith, being submitted by the 2015, as amended (the "Listing Regulations"). Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the al Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in the financial results of the Company, it has "Deposit security deposit)" from a related party of an amount of Rs. 10,100 lakhs. The Company "Financial Instruments". Further, we are informed by the management that till date the Company has not received any appropriate / adequate response from the lessor towards refunding such amount. Considering these facts and 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 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. These facts also give rise to material uncertainty as regards possible material adjustments that may be required to made to the values of recorded security deposits and unrecorded assets and tax implications, if any, arising on account of settlement of such transactions, which could not be recorded in the financial results on account of these being not readily ascertainable. Pursuant to non-receipt of response from the lessor towards refunding the specified amount and non-determination of the ECL provision and availability of balance confirmation, its impact on the losses and EPS of the Company for the quarter and half year ended September 2024 and on the other equity as on the balance sheet date, is not ascertainable. This matter was also modified in our report on the financial</p>	<p>NA</p> <p>NA</p>

	<p>statement for the year ended March 31, 2024.</p> <p>b) Balances of trade payables aggregating to Rs. 8,348.25 lakhs are subject to confirmations and reconciliations, if any, are not ascertainable. This matter was also modified in our report on the financial statements for the year ended March 31, 2024.</p> <p>c) As stated in note no. 9 of the financial results, during the quarter the Company has written back certain trade payables and provisions aggregating to Rs. 2,156.58 Lakhs and Rs. 3,770.86 lakhs (Including write back of related parties balance and provisions of Rs. 2,156.58 lakhs and Rs. 2,693.72 lakhs) for the quarter and half year ended September 30, 2024, respectively, reasons of which are not known to us. Hence, we are unable to comment on the correctness of these values, and if any adjustments are required to the said balances as on the September 30, 2024 and related disclosures in the financial results. The above amount includes amount due to one of the related parties which is under Corporate Insolvency Resolution Process whose Resolution Professional has raised a claim of Rs. 2,321 lakhs along with interest which has been denied by the Company and not recognised in the books, as explained in note no. 8.</p> <p>d) As stated in note no. 7 of the financial results wherein it is stated that the Company has not assessed the impairment of Rights of Use assets (ROU), having value of Rs. 9,752.95 lakhs as on September 30, 2024 considering the Company has incurred cash losses during the half year and its net worth is completely eroded. We are unable to comment upon the impact arising on the loss and EPS for the quarter and half year ended September 30, 2024 and on the carrying value of ROU & other equity as on September 30, 2024. This matter was also modified in our report on the financial statements for the year ended March 31, 2024. Resolution Professional has been appointed by Hon'ble National Company Law.</p> <p>e) We draw attention to note no. 3 in the financial results which states that during the quarter, the Company has incurred a cash loss of Rs. 3,627.82 lakhs and its net worth is negative as on September 30, 2024 exceeded its current assets. The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. The above situation indicates that a material uncertainty exists that may cast significant doubt are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next twelve months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.</p>	<p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p>
<p>For the year ended March 31, 2024</p>	<p>Disclaimer of Opinion</p> <p>We have audited the accompanying financial statements of Praxis Home Retail Limited (the “Company”), which comprise the Balance Sheet as at March 31, 2024, 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.</p> <p>We do not express an opinion on the aforesaid financial statements of the Company, because of the significance of the matter described in the Basis for Disclaimer Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the aforesaid financial statements.</p> <p>Basis of Disclaimer of Opinion</p>	<p>NA</p>

	<p>a) As stated in note no. 41 of the financial statements of the Company, it 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 & recognised 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”. Further, we are informed by the management that till date the Company has not received any appropriate / adequate response from the lessor towards refunding such amount. Considering these facts and 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. These facts also give rise to material uncertainty as regards possible material adjustments that may be required to be made to the values of recorded security deposits and unrecorded assets and tax implications, if any, arising on account of settlement of such transactions, which could not be recorded in the financial results on account of these being not readily ascertainable. Pursuant to non-receipt of response from the lessor towards refunding the specified amount and non-determination of the ECL provision and availability of balance confirmation, its impact on the losses and EPS of the Company for the quarter and year ended March 31, 2024 and on the other equity as on the balance sheet date, is not ascertainable. This matter was also modified in our report on the financial results for the year ended March 31, 2023.</p>	NA
	<p>b) Balances of trade payables aggregating to Rs. 9,776.20 lakhs and write backs of amounts of Rs. 206.47 lakhs of respective parties are subject to confirmations and reconciliations, if any, amounts of which are not ascertainable. Hence, we are unable to comment on the correctness of these figures and if any adjustments are required to the said balances as on the March 31, 2024 and related disclosures in the Financial Statements. This matter was also modified in our report on the financial results for the year ended March 31, 2023.</p>	NA
	<p>c) As stated in note no. 50 of the financial statements wherein it is stated that the Company has not created provisions towards impairment on Rights of Use assets (ROU), having value of Rs. 10,725.90 lakhs as on March 31, 2024. The Company has incurred cash losses during the year, its net worth is completely eroded and its current liabilities exceed current assets. In spite of these indicators no assessment of impairment has been carried out. Hence, we are unable to comment upon the impact arising on the loss and EPS for the year ended March 31, 2024 and on the carrying value of ROU & other equity as on March 31, 2024.</p>	NA
	<p>d) As explained in note no. 49 of the financial statements, during the year the Company has rectified the cost of its inventories, whereas as per the earlier practice, overheads including the costs which were yet to be incurred were loaded on a standard rate in the inventory. This approach was not in compliance with Ind AS - 2</p>	NA

	<p>“Inventories”. Such rectification in the financial statement has not been carried out in accordance with the requirements of Ind AS – 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and Ind AS – 1 “Presentation of Financial Statements” by not restating and presenting the comparative financial statements for an amount of Rs. 838.51 lakhs. This amount has been charged as an exceptional item to the Statement of Profit and Loss, which is also not as per the requirement of Division II of Schedule III. Due to such accounting treatments, losses of the year and other equity as on March 31, 2023 are higher by Rs. 838.51 lakhs, respectively. Impact on the losses of the previous year and on the other equity as on April 1, 2022 and March 31, 2023 of the Company is not known. In addition to this matter, considering the matters described in paragraph 3(a) to 3(c) above, even impact on the EPS of the current year and the previous year is not known. The comparative quarters figures / presentation with regards to these transactions have also not been restated / reclassified.</p>	
For the year ended March 31, 2024	<p>Material Uncertainty Related to Going Concern</p> <p>We draw attention to note 44 in the financial statements which states that during the year, the company has incurred a cash loss of Rs. 4,942.12 lakhs and its net worth is negative as on the Balance Sheet date. Further, the Company’s current liabilities exceeded its current assets by Rs. 10,045.55 lakhs as at the balance sheet date [excluding the effect of the observations stated in paragraph 2(a), 2(c) and 2(d)]. The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next twelve months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.</p>	NIL
For the year ended March 31, 2024	<p>Emphasis of Matter</p> <p>NIL</p>	NIL
For the year ended March 31, 2024	<p>Key Audit Matters</p> <p>Our report does not include the section of Key Audit Matters, as opinion is disclaimed, which is in accordance with the requirements of the SA 705, as issued by ICAI.</p>	NIL
For the year ended March 31, 2024	<p>Under CARO 2020</p> <p>vii (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. 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.</p> <p>vii (c): Statutory dues referred to in sub- clause (a) above which have not been deposited as on March 31, 2024, on account of disputes are given below:</p>	<p>NA</p> <p>NA</p>

Name of the statute	Nature of Dues	Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which it relates	Forum where the 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	14.36	2.87	FY 2017-18	Appellate Authority State Tax Officer-Delhi
Central Goods and Service Tax Act, 2017	Goods and Service Tax	0.96	0.19	FY 2017-18	Appellate Authority State Tax Officer-Guwahti-Assam
Central Goods and Service Tax Act, 2017	Goods and Service Tax	30.54	6.11	FY 2017-18	Appellate Authority Central GST & Central Excise - Chhattisgarh
Central Goods and Service Tax Act, 2017	Goods and Service Tax	21.65	4.33	FY 2019-20	Appellate Authority - State tax (Appeal-I) - Ahmedabad - Gujarat
Central Goods and Service Tax Act, 2017	Goods and Service Tax	367.88	Nil	November 2017 to September 2019	Directorate General of Anti Profiteering
<p>xviii. 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 Rs. 4,942.12 lakhs. The effect of unquantified modification given in paragraph 2 of our independent auditor's report has not been taken into consideration for</p>					

NA

	<p>the purpose of reporting in respect of this clause. Further, the Company has incurred cash losses of Rs. 3,825.44 lakhs in the immediately preceding financial year, which was also determined without considering the effect of the modified opinion issued for the immediately preceding financial year.</p> <p>xix. We draw attention to note no. 44 in the financial statements which states that during the year, the company has incurred a cash loss of Rs. 4,942.12 lakhs and its net worth is negative as on the Balance Sheet date. Further, the Company's current liabilities exceeded its current assets by Rs. 10,045.55 lakhs as at the balance sheet date [excluding the effect of the observations stated in paragraph 2(a), 2(c) and 2(d) of the main audit report]. The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. Further considering the financial ratios as disclosed in note 55 to the financial statement and ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statement, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and it may not be 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.</p>	NA
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PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Income

Our Income comprises of:

Revenue from operations

Revenue from operations comprises of revenue from sale of products and revenue from other operating income which includes commission income, income from sale of scrape, income from sale of entitlements and other income.

Other Income

Other income primarily comprises of certain non-recurring income such as concessions, recovery from damages, liabilities written back, excess lease liabilities written back, Interest on Income Tax refund and other miscellaneous income.

Expenses

Our expenses primarily comprise purchase of stock in trade, changes in inventories of stock-in-trade, employee benefit expenses, rent expense including lease rentals, finance costs, depreciation and amortization expenses and other expenses.

Purchase of stock-in-trade

The purchase of stock-in-trade comprises of purchase of finished goods.

Changes in inventories of stock-in-trade

Changes in inventories of stock-in-trade comprises of difference in closing balance *vis-a-vis* opening balance of stock in trade.

Employee benefit expense

Employee benefit expense consists of salaries, wages, bonus, contribution to provident fund & other funds, employee stock option expense and staff welfare expenses.

Rent including lease rentals

Rent including lease rentals comprises of expenses on account of lease contracts for office, store premises and warehouses used in our operations, which has lease terms between nine and thirty years.

Finance costs

Finance cost comprises of interest on borrowings, unwinding interest on lease liabilities, unwinding interest on Financial Instrument at amortised cost and other finance cost.

Depreciation and Amortization Expense

Depreciation and amortization expense comprise of depreciation expense of lease assets, plant and equipment, furniture & fixture, office equipment, computers.

Other expenses

Other expenses comprise of expenses related to power and fuel, repairs and maintenance, insurance, rates and taxes, travelling and conveyance, advertisement and marketing, inventory shrinkage/damage, provision for obsolete inventory and shrinkage, legal and professional, balances with government authorities written off excluding reversal of provision of doubtful advances, inventory scrapped excluding reversal of provision for slow moving inventory, loss on foreign currency translation/transactions, subvention and credit card charges and miscellaneous expenses.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax charge / (credit) is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Results of our Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Quarter and six-month period ended on September 30, 2024 compared to quarter and six-month period ended on September 30, 2023

	Particulars	Quarter and six-month period ended on September 30, 2024	% of total income	quarter and six-month period ended on September 30, 2023	% of total income
1.	Income				
	Revenue from operations	5,780.96	59.81%	10,936.04	95.82%
	Other Income	3,885.00	40.19%	476.84	4.18%
	Total income	9,665.96	100.00%	11,412.88	100.00%
2.	Expenses				
	a) Purchase of Stock in trade	1,992.44	20.61%	5,694.50	49.90%
	b) Changes in inventories of stock-in-trade	1,265.28	13.09%	139.27	1.22%
	c) Employee benefits expense	1,635.38	16.92%	2,229.21	19.53%
	d) Finance Costs	1,138.74	11.78%	968.41	8.49%

(₹ in lakhs)

	Particulars	Quarter and six-month period ended on September 30, 2024	% of total income	quarter and six-month period ended on September 30, 2023	% of total income
	e) Depreciation and Amortisation	1,368.89	14.16%	1,782.20	15.62%
	f) Other Expenses	3,491.08	36.12%	3,964.50	34.74%
	Total expenses	10,891.81	112.68%	14,778.09	129.49%
	Profit/(Loss) before exceptional items and Tax	(1,225.85)	-12.68%	(3,365.21)	-29.49%
3.	Exceptional Items	00.00	0.00%	00.00	0.00%
4.	Profit/(Loss) before Tax and after exceptional items	(1,225.85)	-12.68%	(3,365.21)	-29.49%
5.	Tax Expenses	00.00	0.00%	00.00	0.00%
6.	Net Profit/(Loss) for the period/year	(1,225.85)	-12.68%	(3,365.21)	-29.49%
7.	Other Comprehensive Income/(Loss) for the period	00.00	0.00%	(10.00)	-0.09%
8.	Total Comprehensive Income/(Loss) for the period	(1,225.85)	-12.68%	(3,375.21)	-29.57%

Total Income

Our total income decreased by 15.31% to ₹9,665.96 lakhs for the quarter and six-month period ended on September 30, 2024 from ₹11,412.88 lakhs for the quarter and six-month period ended on September 30, 2023. The changes are due to following reasons:

Revenue from operations

Our revenue from operations decreased by 47.14% to ₹5,780.96 lakh for the quarter and six-month period ended on September 30, 2024 from ₹10,936.04 lakhs for the quarter and six-month period ended on September 30, 2023 primarily because of non-availability of sufficient inventory.

Other income

Our other income increased by 714.74% to ₹3,885.00 lakh for the Six -months period ended September 30, 2024 from ₹476.84 lakhs for the Six month period ended September 30, 2023. The increase is attributable to write-back of certain liabilities which were no longer payable.

Expenses

Our total expenses decreased by 26.30% to ₹ 10,891.81 lakh for the quarter and six-month period ended on September 30, 2024 from ₹14,778.09 lakhs for the quarter and six-month period ended on September 30, 2023, due to following reasons:

Purchase of Stock in trade

Our cost of goods sold comprises purchase of stock-in-trade and changes in inventory of stock-in-trade. Our purchase of stock in trade decreased by 65.01% to ₹5,694.50 lakh for the quarter and six-month period ended on September 30, 2024 from ₹1,992.44 lakhs for the quarter and six-month period ended on September 30, 2023, primarily on account of liquidity constraints due to which company was not able to procure more merchandise from suppliers.

Changes in inventories of stock in trade

Our change in inventories of stock in trade stood at ₹1,265.28 lakhs for the quarter and six-month period ended on September 30, 2024 as compared to ₹139.27 lakh for the quarter and six-month period ended on September 30, 2023 due to liquidation of existing inventory available with the Company.

Employee benefit expense

Our employees benefit expense decreased by 26.64% to ₹1,635.38 lakh for quarter and six-month period ended on September 30, 2024 as compared to ₹2,229.21 lakhs for quarter and six-month period ended on September 30, 2023 primarily on account of corresponding reduction in count of the employees in the quarter and six-month period ended on September 30, 2024.

Finance cost

Our finance cost increased by 17.59% to ₹1,138.74 lakhs for quarter and six-month period ended on September 30, 2024 from ₹968.41 lakhs for quarter and six-month period ended on September 30, 2023 due to increase in borrowings.

Depreciation and amortisation expense

Our depreciation and amortisation expenses decreased by 23.19% to ₹1,368.89 lakh for quarter and six-month period ended on September 30, 2024 from ₹1,782.20 lakhs for quarter and six-month period ended on September 30, 2023, primarily on account of decrease in depreciation on Right to Use of Assets (covered under Ind AS 116 – Leases) due to closure of few stores.

Other Expenses

Our other expenses decreased by 11.94% to ₹3,491.08 lakh for quarter and six-month period ended on September 30, 2024 from ₹3,964.50 lakhs for quarter and six-month period ended on September 30, 2023, primarily due to decrease in transportation expenses, warehousing expenses and travelling & conveyance expense.

Profit/(Loss) for the period

Our loss for the quarter and six-month period ended on September 30, 2024 stood at ₹1,225.85 lakhs as compared to loss of ₹3,365.21 lakhs for quarter and six-month period ended on September 30, 2023 due to the abovementioned reasons.

Period ended March 31, 2024 compared to period ended March 31, 2023

	Particulars	Fiscal 2024	% of total income	Fiscal 2023	% of total income
1.	Income				
	Revenue from operations	21,957.77	97.18%	38,604.55	97.63%
	Other Income	636.16	2.82%	937.11	2.37%
	Total income	22,593.93	100.00%	39,541.66	100.00%
2.	Expenses				
	Purchase of Stock in trade	10,316.80	45.66%	14,126.32	35.73%
	Changes in inventories of stock-in-trade	1,053.26	4.66%	7,331.00	18.54%
	Employee benefits expense	4,355.29	19.28%	6,036.86	15.27%
	Finance Costs	2,206.50	9.77%	2,175.98	5.50%
	Depreciation and Amortisation	3,629.13	16.06%	3,602.62	9.11%
	Other Expenses	8,765.68	38.80%	11,480.55	29.03%
	Total expenses	30,326.66	134.22%	44,753.33	113.18%
3.	Profit/(Loss) before Tax	(8,571.25)	-37.94%	(2,101.39)	-5.31%
4.	Tax Expenses	0.00		0.00	
	-Current Tax	0.00		0.00	
	-Deferred Tax	0.00		0.00	
	-Earlier year's tax	0.00		0.00	
5.	Profit and loss for the year	(8,571.25)	-37.94%	(2,101.39)	-5.31%

Total Income

Our total income decreased by 42.86% to ₹ 22,593.93 lakhs for the Fiscal 2024 from ₹ 39,541.66 lakhs for the Fiscal 2023. The changes are due to following reasons:

Revenue from operations

Our revenue from operations decreased by 43.12% to ₹21,957.77 lakhs for the Fiscal 2024 from ₹38,604.55 lakhs for the Fiscal 2023. This was due to lower revenues on account of non-availability of sufficient inventory and closure of few stores.

Other income

Our other income decreased by 32.11% to ₹636.16 lakh for the Fiscal 2024 from ₹937.11 lakhs for the Fiscal 2023 primarily on account of reduction in other miscellaneous income.

Expenses

Our total expenses decreased by 32.24% to ₹30,326.66 lakh for the Fiscal 2024 from ₹44,753.33 lakhs for the Fiscal 2023, due to following reasons:

Purchase of Stock in trade

Our purchase of stock in trade decreased by 26.97% to ₹10,316.80 lakh for the Fiscal 2024 from ₹14,126.32 lakhs for the Fiscal 2023, primarily due to liquidity constraints due to which company was not able to procure more merchandise from suppliers.

Changes in inventories of stock in trade

Our inventories of stock in trade stood at ₹1,053.26 lakh for the Fiscal 2024 as compared to ₹7,331.00 lakhs for the Fiscal 2023, primarily due to due to liquidation of existing inventory available with the Company.

Employee benefit expense

Our employees benefit expense decreased by 27.86% to ₹4355.29 lakh for the Fiscal 2024 from ₹6,036.86 lakhs for the Fiscal 2023, primarily due to corresponding reduction in count of the employees in the Fiscal year 2024.

Finance cost

Our finance cost increased by 1.40% to ₹2,206.50 lakh for the Fiscal 2024 from ₹2,175.98 lakhs for the Fiscal 2023 due to increase in borrowing in Fiscal 2024 as compared to Fiscal 2023.

Depreciation and amortisation expense

Our depreciation and amortisation expenses increased by 0.74% to ₹3,629.13 lakh for the Fiscal 2024 from ₹3,602.62 lakhs for Fiscal 2023, primarily due to increase in property plant and equipments.

Other Expenses

Our other expenses decreased by 23.65% to ₹8,765.68 lakh for the Fiscal 2024 from ₹11,480.55 lakhs for Fiscal 2023, primarily due to decrease in expense on account of reduced sales levels and in Fiscal 2023 there were certain one-time expenses.

Profit/ (Loss) for the period

Our loss for the Fiscal 2024 stood at ₹8,571.25 lakhs as compared to ₹2,101.39 lakhs for the Fiscal 2023 due to the abovementioned reasons.

Related Party Transactions

For details, please see the chapter titled “*Financial Statements*” beginning on page [●].

Significant developments after March 31, 2024 that may affect our future results of operations

Other than as disclosed below and in this Draft Letter of Offer, there have been no significant developments after March 31, 2024 that may affect our future results:

- Allotment of 45,07,629 share warrants convertible into equivalent number of equity shares of Rs.5/- each at an issue price of Rs.43.26 per share on May 9, 2024;
- Resignation of Mr. Swetank Jain as CEO & Whole-time Director w.e.f. August 13, 2024;
- 1,00,00,000 equity shares of Rs.5/- each were issued on October 15, 2024 pursuant to conversion of share warrants;
- Appointment of Mr. Ashish Bhutda as CEO & Whole-time Director w.e.f. November 11, 2024.
- Future Corporate Resources Private Limited – Promoter of the Company, was admitted to insolvency proceedings by the Hon’ble National Company Law Tribunal, Mumbai bench on September 24, 2024.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as disclosed below, there is no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and (v) other litigation, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) adopted by our Board on November 11, 2024.

In this regard, please note the following:

1. Any outstanding litigation involving our Company i.e., proceedings other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences, shall be considered material and shall be disclosed in the Draft Letter of Offer/Letter of Offer or the Abridged Letter of Offer, if (i) the monetary claim involved in such proceedings is an amount equal to or exceeding 5 % of the total income of the Company as per the audited financial statements of the Company for the immediately preceding financial year (being ₹1,129.69 lakh, 5% of ₹ 22,593.93 lakh as on March 31, 2024) ("**Materiality Threshold**"), and / or (ii) is otherwise determined to be material in terms of the Materiality Policy.
2. Pre-litigation notices received by our Company from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.

All terms defined herein in a particular litigation disclosure pertain to that litigation only.

Litigations involving our Company

There are no issues of moral turpitude or criminal liability, material violations of statutory regulations or economic offences or material pending matters involving our Company, except as follows:

A. Proceedings involving issues of moral turpitude or criminal liability

i. Criminal Litigations initiated against our Company

1. On October 1, 2024, the legal metrology officer from the Uttar Pradesh Legal Metrology Department conducted a visit to our store premises in Gomtinagar, Lucknow, Uttar Pradesh, and observed the following non-compliances: non-disclosure of unit sale price on Borosil Glass Mug Products manufactured by Borosil Limited; non-disclosure of unit sale price on Dubai Whisky Glasses imported by Raj Agencies; and alteration of MRP on the desert spoon set manufactured by FNS International Pvt Ltd. Following this, the Legal Metrology Officer seized the aforementioned products and issued an adoption memorandum under the Legal Metrology Act, 2009, read with the Legal Metrology (Enforcement) Rules, 2011. The matter is currently pending.

ii. Criminal Litigations initiated by our Company

As on the date of this Draft Letter of Offer, there are no criminal litigations initiated by our Company.

B. Matters involving material violations of statutory regulations by our Company

As on the date of this Draft Letter of Offer, there are no outstanding proceedings/matters involving material violations of statutory regulations by our Company.

C. Economic offences where proceedings have been initiated against our Company

As on the date of this Draft Letter of Offer, there are no outstanding economic offences initiated against

our Company.

D. Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

i. Civil Litigations initiated against our Company

1. M/s. Koncepts Interior (“**Operational Creditor**”) has filed an application in National Company Law Appellate Tribunal, Mumbai (“**NCLT Mumbai**”) under Section 9(1) of the IBC read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016 to initiate corporate insolvency resolution process against our Company for the alleged outstanding operational debt amounting to ₹100.66 lakhs along with 18% per annum. The matter is currently pending.
2. Pursuant to a petition filed by Bank of India, the corporate insolvency resolution process was initiated against Future Lifestyle Fashions Limited (“**Corporate Debtor**”) by the National Company Law Tribunal, Mumbai (“**NCLT Mumbai**”) vide order dated May 04, 2023. A demand notice dated October 05, 2023, was issued by Mr. Ravi Sethia (“**Resolution Professional**”) calling upon our Company to pay ₹2,320.57 lakhs outstanding towards rent payable to the Corporate Debtor under the leave and license agreement dated April 1, 2021, (“**L&L Agreement**”) entered into between the Corporate Debtor and our Company. Subsequently, the Resolution Professional filed an Interlocutory Application (“**I.A-1**”) with the NCLT Mumbai against our Promoter Kishore Biyani and our Company (“**Respondents**”) seeking relief to direct the Respondents to pay a sum of ₹2,320.57 lakhs along with interest at the rate of 18% per annum. In the same case involving the corporate insolvency resolution process of the Corporate Debtor, Sudha Apparels Limited (“**SAL**”) has filed an Interlocutory Application (“**I.A-2**”) against the Resolution Professional seeking *inter alia* the relief of handing over the vacant and peaceful possession of an immovable property situated in Rajarhat, Kolkata, owned by SAL (“**Rajarhat Property**”). Since our Company is in possession and operates a store at the Rajarhat Property under the L&L Agreement, we filed an intervention application in the I.A-2 seeking impleadment as a party in the proceedings of I.A-2. Both I.A-2 and our intervention application were dismissed by NCLT Mumbai vide order dated October 01, 2024 (“**NCLT Order**”). Subsequently, SAL challenged the NCLT Order before the National Company Law Appellate Tribunal, New Delhi, by filing a company appeal under section 61(1) of the IBC (“**Company Appeal**”). As our Company was not made a party to the Company Appeal, we have filed an intervention application in response. The matter is currently pending

ii. Civil Litigations initiated by our Company

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated by our Company exceeding the Materiality Threshold.

iii. Tax Proceedings initiated against our Company

As on the date of this Draft Letter of Offer, there are no outstanding tax proceedings initiated against our Company exceeding the Materiality Threshold.

GOVERNMENT AND OTHER APPROVALS

Our Company requires various licenses, registrations, permits and approvals issued by relevant central and state authorities under various rules and regulations (“**Approvals**”) for carrying on its present business activities. The requirement for the Approvals may vary based on factors such as the legal requirements in the jurisdiction, in which the stores and warehouses are located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Since, our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses for reducing the current liabilities by repaying part of its outstanding trade payables and for general corporate purposes, no government and regulatory approval pertaining to the Object of the Issue will be required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board passed at its meeting held on November 11, 2024, pursuant to Section 62 (1) (a) and other applicable provisions of the Companies Act, 2013.

The Committee of the Directors of the Board of Directors of the Company in its meeting held on [●] has resolved to issue Equity Shares to the Eligible Equity Shareholders at an Issue Price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), in the ratio of [●] Rights Equity Shares for every [●] Equity Shares, as held on the Record Date being [●]. The Issue Price of ₹ [●] per Rights Equity Share has been arrived at, in consultation with the Lead Managers, prior to determination of the Record Date.

This Draft Letter of Offer has been approved by the Committee of Directors of our Board on December 19, 2024.

Our Company has received in-principle approvals from BSE and NSE for listing of the Rights Equity Shares to be allotted in this Issue pursuant to their letters dated [●] and [●], respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circular.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see “*Terms of the Issue*” on page [●].

Prohibition by the SEBI

None of our Company, our Promoters, members of our Promoter Group and our Directors are prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority:

Fugitive Economic Offender

Neither our Promoters nor our Directors have been declared as Fugitive Economic Offenders.

Association of our Directors with the securities market

None of our Directors are associated with the securities market.

Prohibition by RBI

Neither our Company, nor our Promoters or our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Our Company undertakes to make an application for listing of the Rights Equity Shares to be Allotted pursuant to the Issue. [●] is the Designated Stock Exchange for the purpose of the Issue.

Applicability of the SEBI ICDR Regulations

The present Issue being of less than ₹5,000 Lakhs, Our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Draft Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI, i.e. www.sebi.gov.in.

Compliance with clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations, to the extent applicable, in terms of the disclosures made in this Draft Letter of Offer.

Further, our Company confirms that it is in compliance with the following:

- a) Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable, for the last one year immediately preceding the date of filing of this Draft Letter of Offer with the BSE and NSE;
- b) the reports, statements and information referred to in sub-clause (a) above are available on the website of the BSE and NSE; and
- c) Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by the Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

Disclaimer Clause of SEBI

As required, a copy of the Draft Letter of Offer will be submitted to SEBI.

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. THE LEAD MANAGERS, PRIME SECURITIES LIMITED AND NEW BERRY CAPITALS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE THE LEAD MANAGERS, PRIME SECURITIES LIMITED AND NEW BERRY CAPITALS PRIVATE LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•] WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH**

COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THE DRAFT LETTER OF OFFER OF THE SUBJECT ISSUE;

- 2. ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - a. THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**
 - b. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - c. THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE, SUCH REGISTRATION IS VALID.-NOTED FOR COMPLIANCE**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOT APPLICABLE**
- 5. WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING DRAFT LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER. – NOT APPLICABLE, BEING A RIGHTS ISSUE.**
- 6. ALL APPLICABLE PROVISIONS OF SEBI ICDR REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER. – NOT APPLICABLE, BEING A RIGHTS ISSUE.**
- 7. ALL APPLICABLE PROVISIONS OF SEBI ICDR REGULATIONS, WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE ISSUE. - NOT APPLICABLE, BEING A RIGHTS ISSUE.**
- 8. NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE**

SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE TO THE EXTENT APPLICABLE

- 9. THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE ‘MAIN OBJECTS’ IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE**
- 10. FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:**
 - a. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, EXCLUDING SUPERIOR RIGHTS EQUITY SHARES, WHERE AN ISSUER HAS OUTSTANDING SUPERIOR RIGHTS EQUITY SHARES - COMPLIED WITH (THE COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES); AND**
 - b. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI. – COMPLIED WITH**
- 11. WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. - NOTED FOR COMPLIANCE**
- 12. IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS, 2018.– NOT APPLICABLE, BEING A RIGHTS ISSUE.**

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Disclaimer from our Company and the Lead Managers

Our Company and the Lead Managers, namely Prime Securities Limited and New Berry Capitals Private Limited accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisement or any other material issued by or at the instance of our Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

We and the Lead Managers shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer with the SEBI.

Applicants will be required to confirm and will be deemed to have represented to our Company and the Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares and that they shall not issue, sell, pledge or transfer their Rights Entitlement or Rights Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares and are relying on independent advice/ evaluation as to their ability and quantum of investment in this Issue. Our Company, the Lead Managers and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Investor on whether such Investor is eligible to acquire any Rights Equity Shares.

The Lead Managers and its affiliates may engage in transactions with, and perform services for, our Company and our group entities or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and our group entities or affiliates, for which they have received, and may in the future receive, compensation.

Cautions

Our Company and the Lead Managers shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of this Issue is [●].

Disclaimer Clause of BSE

[●]

Disclaimer Clause of NSE

[●]

Selling Restrictions

The distribution of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the letter of Offer, Abridged Letter of Offer, Entitlement Letter or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form only to email addresses of such Eligible Equity Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form, shall not be sent the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Managers to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Draft Letter of Offer/ Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Managers, and the Stock Exchanges. Accordingly, our Company, the Lead Managers and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of the Letter of Offer, Abridged Letter of Offer and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Lead Managers or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

No information in this Draft Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company, the Lead Managers or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or date of such information.

The contents of this Draft Letter of Offer/Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Managers nor any of their respective affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares or the Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (“**Securities Act**”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (“**United States**” or “**U.S.**”) or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act (“**Regulation S**”), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in this Draft Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ Or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the Draft Letter of Offer/Letter of Offer and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein

of an offer to buy any of the said securities or rights.

Accordingly, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

We, the Registrar, the Lead Managers or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

Filing

This Draft Letter of Offer is being filed with the Stock Exchanges i.e. BSE and NSE as per the provisions of the SEBI ICDR Regulations, Further, in terms of SEBI ICDR Regulations, our Company shall file the copy of this Draft Letter of Offer with the SEBI at its office located at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India and through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, for the purpose of their information and dissemination on its website.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

In compliance with Securities and Exchange Board of India Master Circular for Online Dispute Resolution (“ODR”) bearing reference number SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (“SEBI ODR Master Circular”) we have completed the registration process of our Company on the Smart Market Approach for Resolution through ODR Portal (‘SMART ODR’). Further we undertake to resolve and take action on the complaints received in respect of the Issue expeditiously and satisfactorily and in accordance with the timelines provided under the SEBI ODR Master Circular and Securities and Exchange Board of India Circular bearing reference number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023. The Company has authorized its Company Secretary as the Compliance Officer to redress all complaints in relation to the Issue including any complaints regarding the post–issue activities of the Issue such as allotment, refund, and dispatch.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

Investor Grievances arising out of this Issue:

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue i.e. Link Intime India Private Limited. The agreement between the Company and the Registrar provides for a period for which records shall be retained by the Registrar in order to enable the Registrar to redress grievances of Investors.

Investors may contact the Registrar or our Compliance Officer for any pre-Issue/post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole/ first holder, folio number or demat account number, serial number of the Application Form, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form, or the plain paper application, as the case may be, was submitted by the ASBA Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see “Terms of the Issue” on page [●] .

Investors may contact the Registrar to the Issue at:

Link Intime India Private Limited

C-101, 1st Floor, 247 Park,

LBS Marg, Surya Nagar, Gandhi Nagar

Vikhroli (West)

Mumbai – 400 083

Maharashtra, India.

Telephone: +91 810 811 4949

E-mail: praxis.rights2024@linkintime.co.in

Investor grievance E-mail: praxis.rights2024@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Registration No.: INR000004058

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as on-receipt of Letters of Allotment / demat credit/ Refund Orders etc.

The contact details of the Company Secretary are as follows:

Company Secretary and Compliance Officer:

Vimal Dhruve

2nd Floor, Knowledge House, Shyam Nagar

Off Jogeshwari-Vikhroli Link Road, Near Talav

Jogeshwari East, Mumbai – 400 060 **Telephone:** +91 22 4959 2500

E-mail: investorrelations@praxisretail.in

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Managers are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI ICDR Regulations read with ASBA Circular, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

1. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material (“**Issue Materials**”) only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Draft Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

1. our Company at www.praxisretail.in;
2. the Registrar at www.linkintime.co.in;
3. the Lead Managers at www.primesec.com and www.newberrycapitals.in
4. the Stock Exchanges at www.bseindia.com and www.nseindia.com; and
5. the Registrar’s web-based application platform at www.linkintime.co.in.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN.

Further, our Company along with the Lead Managers will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. Our

Company, the Lead Managers and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

2. Facilities for Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and subject to the conditions prescribed under the SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 and SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 (together the “SEBI Rights Issue Circulars”), all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please see “*Procedure for Application through the ASBA Process*” on page [●].

ASBA facility: Investors can submit either the Application Form in physical mode to the Designated Branch of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in their respective ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility. Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, please see “*Procedure for Application through the ASBA Process*” on page [●].

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “*Terms of the Issue - Grounds for Technical Rejection*” on page [●]. Our Company, the Lead Managers, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” on page [●].

3. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the ASBA Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical

form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; (f) the ownership of the Equity Shares currently under dispute, including any court proceedings; or (g) Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copy of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e. [●], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar, to facilitate the aforementioned transfer.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.praxisretail.in).

4. Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.linkintime.co.in
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: www.linkintime.co.in
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.linkintime.co.in
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: praxis.rights2024@linkintime.co.in

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

Basis for this Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

Rights Entitlements

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialised form or appears in the register of members of our Company as an equity shareholder in respect of our Equity Shares held in physical form, as on the Record Date, are entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.praxisretail.in).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical

form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.linkintime.co.in). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements are credited in their demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (“Issue Materials”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. For further details, see “Notice to Investors” on page [●].

PRINCIPAL TERMS OF THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹5.

Issue Price

The Rights Equity Shares are being offered at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company in consultation with the Lead Managers and has been decided prior to the determination of the Record Date.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rule and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. For details, please see “*Procedure for Renunciation of Rights Entitlements*” on page [●].

Credit of Rights Entitlements in dematerialised account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing

Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or the Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; (f) the ownership of the Equity Shares currently under dispute, including any court proceedings;.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. Our Company shall apply for a separate ISIN for the Rights Entitlements. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.*, by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (*i.e.*, www.linkintime.co.in). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, *PER SE*, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE “PROCEDURE FOR APPLICATION” ON PAGE [●].

Trading of the Rights Entitlements

In accordance with the ASBA Circular, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The transfer through On Market Renunciation and Off Market Renunciation will be settled through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date. For details, please see “*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*” and “*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*” on page [●]. Once the Rights Entitlements are credited to the demat account of the Renouncees, application in the Issue could be made until the Issue Closing Date. For details, see “*Procedure for Application*” on page [●].

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

Payment Schedule of Rights Equity Shares

The Issue Price of ₹ [●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable at the time of application.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] fully paid-up Equity Shares held as on the Record Date. As per ASBA Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Shares and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●] and from the NSE through letter bearing reference number [●] dated [●].

Our Company will apply to the Stock Exchanges for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 540901) and NSE (Scrip Code: PRAXIS) under the ISIN: INE546Y01022. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approval, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL. The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoter and our Promoter Group

For details of the intent and extent of subscription by our Promoter and the Promoter Group, please see the chapter titled “*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group*” on page [●].

Rights of Holders of Rights Equity Shares of our Company

Subject to applicable laws, the holders of Rights Equity Shares shall have the following rights on the Rights Equity Shares:

- i. The right to receive dividend, if declared;
- ii. The right to vote in person, or by proxy;
- iii. The right to receive surplus on liquidation;
- iv. The right to free transferability of Rights Equity Shares;
- v. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law; and
- vi. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights on such Rights Equity Shares in this Issue.

GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules,

2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant and follow the process therein.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/dispatch Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue materials only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 read with FEMA Rules, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and/or non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at praxis.rights2024@linkintime.co.in. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority

is valid in order to make any investment in the Issue and the Lead Managers and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, Abridged Letter of Offer, the Entitlement Letter and Application Form shall be sent/dispatched to the non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Managers and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Managers.

Please note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at praxis.rights2024@linkintime.co.in

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, please see “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page [●].

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA process*” beginning on page [●]

The Lead Managers, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions *etc.* in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent (i) only to e-mail addresses of resident Eligible Equity Shareholders who have provided their e-mail addresses; (ii) only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid email address to

our Company; (iii) only to the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (iv) to the e-mail addresses of foreign corporate or institutional shareholders. The Application Form along with the Abridged Letter of Offer and the Rights Entitlements Letter shall be sent through e-mail or physical delivery, as applicable, at least three days before the Issue Opening Date.

Please note that neither our Company nor the Registrar nor the Lead Managers shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.linkintime.co.in. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

- (i) our Company at www.praxisretail.in;
- (ii) the Registrar at www.linkintime.co.in;
- (iii) the Lead Managers at www.primesec.com and www.newberry.in; and
- (iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com;

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.praxisretail.in).

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. **Please note that Applications made with payment using third party bank accounts are liable to be rejected.**

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN could lead to rejection of the Application. For details, please see “Grounds for Technical Rejection” on page [●] Our Company, the Lead Managers, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer

to participate in this Issue by making plain paper Applications. **Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements.** For details, see “*Application on Plain Paper under ASBA process*” on page [●].

Options available to the Eligible Equity Shareholders

The Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

The Company, its directors, employees, affiliates, associates and their respective directors and officers, the Lead Managers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares by (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the heading “*Application on Plain Paper under ASBA process*” on page [●].

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the heading “*Basis of Allotment*” on page [●].

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Pursuant to the SEBI Rights Issue Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. The Lead Managers and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE REGISTRAR AND OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS

(a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the

Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of the Stock Exchange under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Application on Plain Paper under ASBA process

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper, in case of non-receipt of Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India.

Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Stock Exchanges or the Lead Managers to provide requisite details. Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Praxis Home Retail Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total application amount paid at the rate of ₹[●] per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. Additionally, all such Applicants are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar, the Lead Managers or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Managers or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (“Regulation S”), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the

Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, the Lead Managers, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Managers and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in.

Our Company, the Lead Managers and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Mode of payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.linkintime.co.in

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar not later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The Eligible Equity Shareholders can access the Application Form from:
 - i. Our Company at www.praxisretail.in;
 - ii. the Registrar at www.linkintime.co.in;
 - iii. the Lead Managers at www.primesec.com and www.newberry.in; and
 - iv. the Stock Exchanges at www.bseindia.com and www.nseindia.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., at www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.praxisretail.in);

- d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. .

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE.

FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE [●].

General instructions for Investors

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.

- (b) Please read the instructions on the Application Form sent to you.
- (c) The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- (d) Application should be made only through the ASBA facility.
- (e) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (f) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “*Application on Plain Paper under ASBA process*” on page [●].
- (g) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA
- (h) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (i) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (j) Applications should not be submitted to the Bankers to the Issue (assuming that such Banker(s) to the Issue is not an SCSB), our Company or the Registrar or the Lead Managers.
- (k) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- (l) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.**
- (m) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (n) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (o) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all

communication will be addressed to the first Applicant.

- (p) All communication in connection with Application for the Rights Equity Shares, including any change in contact details address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (q) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- (r) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- (s) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (t) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

Do's:

- (a) Ensure that the Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Managers, SCSBs or the Registrar will not be liable for any such rejections.
- (e) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (f) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (g) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (h) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.

- (i) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (j) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (k) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Entitlement Letter.

Don'ts:

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.
- (f) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.
- (g) Do not send your physical Application to the Lead Managers, the Registrar, the Banker(s) to the Issue (assuming that such Banker(s) to the Issue is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (h) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Lead Managers, Registrar, Banker(s) to the Issue (assuming that such Banker(s) to the Issue is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one Application Forms for Rights Entitlements available in a particular demat account.
- (g) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

- (i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (k) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (l) Physical Application Forms not duly signed by the sole or joint Investors.
- (m) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (o) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (q) Application from Investors that are residing outside India as per the depository records.
- (r) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

Our Company may, in consideration with the Lead Managers and Designated Stock Exchange, decide to relax any of the grounds of technical rejection mentioned hereinabove.

Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR AS ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY THE INVESTOR AS ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSTORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository

Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar or the Company. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the intimation of unblocking of ASBA Account or refund (if any) would be sent/ dispatched to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or Lead Managers shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility or internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:

1. NR Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company and the Lead Managers.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Entitlements Letter and the Application Form shall be sent to their e-mail addresses or their Indian address, as applicable, if they have provided their Indian address to our Company. The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Managers to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and in each case who make a request in this regard. In the event that the e-mail addresses of the Eligible Equity Shareholders are not available with the Company or the Eligible Equity Shareholders have not provided the valid e-mail address to the Company, our Company will make reasonable efforts to dispatch the Letter of Offer, Abridged Letter of Offer, Application Form and Entitlements Letter by way of physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address.

2. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act.
2. In case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares.

Multiple Applications

In case where multiple Applications are made in respect of the same Rights Entitlements using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. For details, please see “*Procedure for Applications by Mutual Funds*” below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications shall be treated as multiple Applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected other than multiple applications submitted by any of our Promoters or members of Promoter Group for subscribing any unsubscribed portion of this Issue as described in “*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group*” on page [●].

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the heading, “*Basis of Allotment*” on page [●].

Please note that on the Issue Closing Date, (i) the Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference

number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. **However, the Application, whether made through ASBA Process cannot be withdrawn after the Issue Closing Date.**

Issue Schedule

Issue Opening Date	[●]
Last date for On Market Renunciation*	[●]
Issue Closing Date[#]	[●]
Finalisation of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of Credit (on or about)	[●]
Date of Listing (on or about)	[●]

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

[#] Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

Our Board or a duly authorised committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- (d) Allotment to Renounees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- i. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advice or Refund/ Unblocking of ASBA Accounts

Our Company will email Allotment advice, refund intimations or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company requisite interest as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Payment of Refund

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- (a) Unblocking amounts blocked using ASBA facility.
- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through

NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, *etc.*) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed an agreement dated October 12, 2017 with NSDL and an agreement dated October 11, 2017 with CDSL

which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (with IEPF authority/ in suspense, *etc.*). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATIONS BY CERTAIN CATEGORIES OF INVESTORS

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Issue are advised to

use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- i. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- ii. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue.

Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹10 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 Lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 Lakhs or with both.

Payment by stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stockinvest scheme has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA or refunded to the Investors in the same bank account through which Application Money was received. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Utilisation of Issue Proceeds

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;
2. Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
3. Details of all unutilized monies out of this Issue referred to under (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Undertakings by our Company

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment;
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants;
6. Adequate arrangements shall be made to collect all ASBA Applications;
7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Important

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**Praxis Home Retail Limited – Rights Issue**” on the envelope and postmarked in India or in the email) to the Registrar at the following address:

Link Intime India Private Limited

C 101, 1st Floor, 247 Park, LBS Marg, Surya Nagar, Gandhi Nagar
Vikhroli (West), Mumbai – 400083, Maharashtra, India.

Telephone: +91 810 811 4949

E-mail: praxis.rights2024@linkintime.co.in

Investor grievance E-mail: praxis.rights2024@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (*i.e.* at www.linkintime.co.in). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties are 022 - 4918 6200.

This Issue will remain open for a minimum 7 days. However, our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Restrictions on Foreign Ownership of Indian Securities

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy (“**FDI Policy**”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the nonresident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. As per Regulation 7 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the RBI has given general permission to Indian companies to issue securities on rights basis to non-resident shareholders including additional securities under the rights issue. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018, as amended, issued by the RBI, non-residents may, inter alia, (i) subscribe for additional securities over and above their rights entitlement; (ii) renounce the securities offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the securities renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, Allotment of Rights Equity Shares and issue of Allotment advice. If an NR or NRI Investor has specific approval from the RBI, in connection with their shareholding, they should enclose a copy of such approval with the Application. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of Rights Equity Shares.

The Rights Equity Shares purchased by non- residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. The above information is given for the benefit of the Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer/Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection would be available at the registered office of the Company between 10 a.m and 5 p.m on all working days.in from the date of this Draft Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated December 13, 2024 between our Company and the Lead Managers.
2. Registrar Agreement dated December 5, 2024 between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] amongst our Company, the Lead Managers, the Registrar to the Issue and the Banker to the Issue.

B. Material Documents in Relation to the Issue

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company.
2. Certificate of incorporation dated January 31, 2011 and fresh certificate of incorporation consequent upon last change of name dated June 21, 2017.
3. Scheme of Arrangement between Future Retail Limited or Bluerock eServices Private Limited and Praxis Home Retail Limited and their respective Shareholders and creditors - under Sections 230 to 232 read with Section 66 of the Companies Act, 2013, as amended and duly sanctioned by Mumbai bench of National Company Law Tribunal on November 10, 2017.
4. Order dated November 10, 2017 of the National Company Law Tribunal approving the Scheme, effective from November 20, 2017.
5. Information Memorandum dated January 29, 2018 for listing of 2,46,33,208 equity shares of ₹5 each of the Company.
6. Industry report titled “India Home Furniture Market 2024-2029” report dated September 10, 2024, prepared by Mordor Intelligence Private Limited.
7. Copy of Audited Financial Statements for the Fiscal 2024.
8. Copies of annual report of our Company for Fiscals 2024, 2023 and 2022.
9. Resolution of our Board dated November 11, 2024 approving the Issue.
10. Appointment letter dated November 11, 2024, in respect of appointment of Ashish Bhutda as the CEO & Whole-time Director
11. Resolution of our Committee of Directors dated [●] finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
12. Order of the NCLT, Mumbai bench dated September 24, 2024 in CP(IB) No.1111/MB/2022 and CP(IB) No.1113/MB/2024 admitting FCRPL into corporate insolvency resolution proceedings;
13. Consents of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Independent Auditors, Lead Managers, Banker to the Company, Banker to the Issue, Legal Advisor to the Issue, Mordor Intelligence for Industry report and the Registrar to the Issue for inclusion of their names in this Draft Letter of Offer to act in their respective capacities.

14. The audit report dated May 23, 2024 and limited review report dated November 11, 2024 of the Statutory Auditors along with the Audited Financial Statements for the year ended March 31, 2024 and Unaudited Financial Statements for the Six months ended September 30, 2024 included in this Draft Letter of Offer.
15. Statement of Special Tax Benefits dated December 10, 2024 from the Independent Chartered Accountants M/s DMKH & Co., Chartered Accountants.
16. Tripartite Agreement dated October 12, 2017 between our Company, NSDL and the Registrar to the Issue.
17. Tripartite Agreement dated October 11, 2017 between our Company, CDSL and Registrar to the Issue.
18. In-principle approval issued by the BSE dated [●] and the NSE dated [●].
19. Due diligence certificate dated [●] addressed to SEBI from the Lead Managers.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Equity Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Ashish Bhutda

CEO & Whole-time Director

Date: December 19, 2024

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Lynette Robert Monteiro

Non-Executive Non-Independent Director

Date: December 19, 2024

Place: Gurgaon

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Jacob Mathew

Chairperson Independent Director

Date: December 19, 2024

Place: Bangalore

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Anou Singhvi

Non-Executive Independent Director

Date: December 19, 2024

Place: United States of America

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Vijai Singh Dugar

Non-Executive Independent Director

Date: December 19, 2024

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Samson Samuel

Non-Executive Non-Independent Director

Date: December 19, 2024

Place: Mumbai

DECLARATION

I hereby declare that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. I further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Letter of Offer are true and correct

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Samir Kedia
(Chief Financial Officer)

Date: December 19, 2024

Place: Mumbai