

Date: September 04, 2020

To,
Dept. of Corporate Services (CRD)
BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001.

To,
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Bandra- Kurla Complex,
Bandra (East),
Mumbai- 400051.

Scrip Code: 540901

Symbol: PRAXIS

Dear Sir / Madam,

Ref: Regulation 30, 34 & 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Annual Report for the financial year ended March 31, 2020 along with Notice of the Ninth (9th) Annual General Meeting and Record Date / Cut-off Date for the same

Please take note that the Ninth (9th) Annual General Meeting ("AGM") of the Members of the Company is scheduled to be held on Monday, September 28, 2020, at 12:00 Noon via two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM') in accordance with the General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 issued by Ministry of Corporate Affairs (collectively referred to as 'MCA circulars') and the SEBI circular SEBI / HO / CFD / CMD1 / CIR / P / 2020 / 79 dated May 12, 2020 granting exemption from holding the AGM without the physical presence of the members at a common venue due to COVID-19 pandemic. The deemed venue for the 9th AGM will be the registered office of the Company at iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai-400042.

Pursuant to Regulation 30, 34 and all other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**"), please find enclosed herewith the Annual Report for the financial year ended March 31, 2020 and the Notice calling the Ninth AGM ("the Notice") which are being sent to the Members of the Company in accordance with the MCA circulars and the aforementioned SEBI circular.

Further pursuant to Regulation 42 of the Listing Regulations, please note that the Company has fixed September 22, 2020 as the Record Date / Cut-off Date for the purpose of AGM.

The detail procedure for remote e-voting before the AGM and e-voting during the AGM is set out in the Notice annexed herewith.

The aforesaid documents are also made available on the website of the Company at www.praxisretail.in

You are kindly requested to take note of the above.

Thanking you,

Yours faithfully,

For **Praxis Home Retail Limited**

Smita Chowdhury
Company Secretary & Compliance Officer
Encl.: As Above



PRAXIS HOME RETAIL LIMITED

(formerly known as Praxis Home Retail Private Limited)

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

Tel. No.: +91 22 7106 8031; Fax No.: +91 22 7106 8032; CIN:L52100MH2011PLC212866

Website: www.praxisretail.in; E-mail: investorrelations@praxisretail.in

NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting ('AGM') of the Members of Praxis Home Retail Limited will be held via two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM') on Monday, the September 28, 2020 at 12:00 noon to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Shrirang Sarda (DIN: 00576667), Non-Executive Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

3. Approval for entering into Related Party Transaction(s) for the financial year 2020-21:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Listing Agreement(s) executed with the Stock Exchanges (as amended from time to time), consent of the Shareholders of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include Audit Committee of the Board or any Director or Official of the Company), to enter into following related party transaction(s) with related party(ies) and to the extent of maximum amounts for the financial year 2020-21 as stated against respective nature of transaction mentioned herein below:

Name of the Related Party	Nature of Relationship	Name of Director or Key Managerial Personnel who is related, if any	Nature of Transactions as per Section 188 of the Companies Act, 2013	Monetary value (₹ in Lakhs)	Nature, Material Terms, Monetary value and particulars of the contract or arrangement (₹ in Lakhs)	Any other information relevant or important for the Members to take decision on the Proposed resolution
Future Lifestyle Fashions Limited	Enterprise which have significant influence	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Occupancy cost and other store expenses	12,500.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been reviewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
Future Enterprises Limited	Enterprise which have significant influence	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Payment for rent of Assets / Lease Rental	5,000.00	As per the terms of the respective con-tracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The renting / leasing transactions and other transactions has been re-viewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
			Purchase of Goods and Services	50,000.00		
			Deposit for use of Assets / Lease Deposits	12,000.00		
			Sale of Goods and Services	4,000.00		
Future Retail Limited	Enterprise which have significant influence	Ms. Sridevi Badiga is the common Director, however neither she nor any other Director / Key Managerial Personnel is related to the transaction with the Related Party.	Purchase of Goods & Services (including Rent, CAM and others)	5,000.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been reviewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
			Sale of Goods and Services (including Rent, CAM and others)	5,000.00		

Name of the Related Party	Nature of Relationship	Name of Director or Key Managerial Personnel who is related, if any	Nature of Transactions as per Section 188 of the Companies Act, 2013	Monetary value (₹ in Lakhs)	Nature, Material Terms, Monetary value and particulars of the contract or arrangement (₹ in Lakhs)	Any other information relevant or important for the Members to take decision on the Proposed resolution
Future Supply Chain Solutions Limited	Enterprise which have significant influence	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Availing of transportation, CIF and warehousing services.	21,000.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been re-viewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
Future Coupons Limited	Group Company	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Purchase of Gift Vouchers, other goods & services	35,000.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been re-viewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
			Commission on sale	700.00		

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalize all issues that may arise in this regard, without further referring to the Shareholders of the Company, including without limitation, negotiation, finalizing and executing necessary agreements, undertakings, memorandum, deeds, documents and such other papers or writings as may be deemed necessary or expedient in its own discretion and in the best interest of the Company and to delegate all or any of its powers herein conferred to the Committee of Directors and / or any Director(s) / Officer(s) of the Company, to give effect to this resolution."

4. Approval for payment of remuneration to Mr. Viraj Didwania, Chairman & Managing Director (CMD) of the Company for the remainder of his tenure as CMD

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder read with Schedule V to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be imposed or prescribed by any of the Authorities while granting such approvals, permissions and sanctions, the consent of the Members of the Company, be and is hereby accorded for payment of existing remuneration to Mr. Viraj Didwania (DIN: 02412474) as the Chairman and Managing Director (CMD) of the Company for the remainder of his tenure as CMD i.e from November 1, 2020 to October 11, 2022 and that Mr. Viraj Didwania be paid maximum remuneration of ₹ 1,68,00,000/- (Rupees One Crore Sixty-Eight Lakh only) per annum, for the aforesaid period in terms of section II of part II of Schedule V of the Companies Act, 2013 and as per the details of remuneration set out in the Statement annexed to this Notice and shall also be entitled to the perquisites mentioned therein;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year during the remaining tenure of the CMD, the Company may as contemplated under the provisions of Schedule-V to the Companies Act, 2013 pay to the Chairman & Managing Director, the aforesaid remuneration of ₹ 1,68,00,000/- (Rupees One Crore Sixty-Eight Lakh only) per annum, as decided by

the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include Nomination and Remuneration Committee or any other Committee which has been authorised by the Board to exercise the powers conferred under this resolution) from time to time as the minimum remuneration by way of salary, perquisites and other allowances and benefits, subject to receipt of the requisite approvals, if any;

RESOLVED FURTHER THAT the Board, be and is hereby authorised to vary amend, modify and revise the remuneration payable to Chairman & Managing Director, from time to time to the extent the Board may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified in this resolution and further is subject to the limits as specified under the relevant provisions of the Companies Act, 2013 and/or as approved by any such other competent authority and the Board, be and is hereby further authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion, consider necessary, expedient or desirable, including to make necessary applications, representations with the concerned authorities and to settle any questions or doubts that may arise in relation thereto and to authorise one or more representatives of the Company to carry out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution and to execute such further deeds, documents and writings that may be considered necessary and appropriate;

RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members at the Extraordinary General Meeting held on October 12, 2017 with respect to the appointment of Mr. Viraj Didwania, as the Managing Director (re-designated by the Board as Chairman and Managing Director w.e.f December 12, 2017) for a period of five (5) shall continue to remain in full force and effect."

NOTES:

1. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its general circular dated May 5, 2020 read with general circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA circulars') permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the members at a common venue. Further, Securities and Exchange Board of India ('SEBI') vide its circular SEBI / HO / CFD / CMD1 / CIR / P / 2020 / 79 dated May 12, 2020 ('SEBI circular') has also granted certain relaxations in connection with convening and holding of AGM. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA circulars, the 9th AGM of the Company is being held through VC/OAVM on Monday, September 28, 2020 at 12:00 noon (IST). The deemed venue for the 9th AGM will be the registered office of the Company: iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai-400042.
2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**
3. Institutional Investors, who are members of the Company, are encouraged to attend the 9th AGM through VC/OAVM mode and vote electronically.
- Corporate members intending to appoint their authorised representatives pursuant to sections 112 and 113 of the act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the scrutiniser by e-mail at ngvg@rediffmail.com with a copy marked to evoting@nsdl.co.in.
4. The Statement pursuant to Section 102 of the Act, relating to the Special Business to be transacted at the Meeting is annexed hereto. The relevant details pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first come first served basis as per the MCA circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis. The detailed instructions for joining the meeting through VC/OAVM form part of the Notes to this Notice.
6. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to investorrelations@praxisretail.in by mentioning their DP ID & Client ID/Physical Folio Number. The attendance of the Members

attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the act.

7. In line with the MCA circular dated May 5, 2020 and SEBI circular dated May 12, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 9th AGM has been uploaded on the website of the Company at www.praxisretail.in and may also be accessed from the relevant section of the websites of the stock exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com
8. Members can avail themselves of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled in to the Company's Registrar & Transfer Agents (**R & T Agents**). Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
9. The Securities and Exchange Board of India ("**SEBI**") has made it mandatory for all companies to use the bank account details furnished by the Depositories for any payment (including dividend) through Electronic Clearing Service ("**ECS**") to investors. In the absence of ECS facility, companies shall mandatorily print the bank account details of the investors on such payment instruments. Members are encouraged to avail ECS facility and requested to update bank account details in the prescribed form to their respective Depository Participant(s) and/or the Company's R & T Agents.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail ID, telephone/mobile numbers, Permanent

Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their respective Depository Participant(s) in case the shares are held in electronic form and to the Company's R&T Agents in case the shares are held in physical form.

11. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above, Members are advised to dematerialise shares held by them in physical form.
12. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company in electronic form. The detailed procedure for registering the email id and other details is given below:

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

i. For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

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

ii. For Permanent Registration for Demat shareholders:

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

lii Registration of email id for shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN , mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format (upto 1 MB) . In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

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

iv. Registration of Bank Details for physical shareholders:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime

India Pvt Ltd , by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, E-mail Id along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

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

13. Members are requested to send their queries with regard to the Accounts during the period from September 25, 2020 (9:00 am IST) to September 27, 2020 (5:00 pm IST) at email_id_investorrelations@praxisretail.in
14. Voting through electronic means
 - I In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the businesses may be transacted through e-voting Services. The facility of casting the votes

by the Members using an electronic voting system from a place other than venue of the AGM ("**remote e-voting**") will be provided by National Securities Depository Limited ("**NSDL**").

- II Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.
- III The remote e-voting period commences on September 25, 2020 (9:00 am IST) and ends on September 27, 2020 (5:00 pm IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date of September 22, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- IV The details of the process and manner for remote e-voting is explained herein below:

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

Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:

A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM

- i. The Members will be provided with a facility to attend the AGM through VC/OAVM through the

NSDL e-Voting system and they may access the same at <https://www.evoting.nsdl.com> under the Shareholders/Members login by using the remote e-Voting credentials, where the EVEN of the Company i.e 114062 will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid last minute rush. Further, Members may also use the OTP-based login for logging into the e-Voting system of NSDL.

- ii. Members may join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to use camera and Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 9th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at investor_relations@praxisretail.in during the period from September 25, 2020 (9:00 am IST) to September 27, 2020 (5:00 pm IST). Such questions by the Members shall be suitably replied by the Company.

- iv. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number at investorrelations@praxisretail.in during the period from September 25, 2020 (9:00 am IST) to September 27, 2020 (5:00 pm IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- v. Members who need technical assistance before or during the AGM to access and participate in the Meeting may contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact **Ms. Soni Singh**: +91-22-24994559 and E-mail ID sonis@nsdl.co.in and / or **Ms. Sarita Mote**: +91-22-24994890 and E-mail ID saritam@nsdl.co.in

B. INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/ DURING THE AGM

- The instructions for remote e-Voting before the AGM are as under:

D. Your User ID details are given below :

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

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

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

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

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

E. Your password details are given below:

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

If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- iv) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- i) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- ii) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account

number/folio number, your PAN, your name and your registered address.

- iv) Members can also use the OTP(One Time Password) based login for casting the votes on the e-Voting system of NSDL.

G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

H. Now, you will have to click on 'Login' button.

I. After you click on the 'Login' button, Home page of e-Voting will open.

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

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorrelations@praxisretail.in.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investorrelations@praxisretail.in.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

A. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

B. After clicking on Active Voting Cycles, you will be able to see the EVEN of all the companies in which you are holding shares and whose voting cycle is in active status.

- C. Select 'EVEN' of the Company which is 114062 to cast your vote.
- D. Now you are ready for e-Voting as the Voting page opens.
- E. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- F. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- G. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- H. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- The instructions for e-Voting during the AGM are as under:
 - i. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
 - ii. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

General Guidelines for Members:

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.

2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or contact at National Securities Depository Limited, Trade World, 'A' Wing, Fourth Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, or at the designated e-mail id: evoting@nsdl.co.in or at telephone no.+9122 2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the e-mail id: investorrelations@praxisretail.in.

- V You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VI The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the Cut-off date of September 22, 2020.
- VII Any person, who acquires Equity Shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the Cut-off date i.e. September 22, 2020, may obtain the User-ID and Password by sending a request at evoting@nsdl.co.in or to Issuer / R&T Agents. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsd.com or contact NSDL at the toll free no.: 1800- 222-990.
- VIII A Member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- IX A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut- off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.
- X Mr. Anant Gude (Membership No. 7219/ CP No. 18623), Proprietor - Mr. Anant Gude M/s. Anant Gude & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting conducted during the AGM e-voting in a fair and transparent manner.
- XI The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote and shall make, not later than 48 (Forty-Eight) hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XII The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company at www.praxisretail.in and on the website of NSDL after the declaration of result by the Chairperson or a person authorised by him in writing. The

Results shall also be communicated to BSE Limited and National Stock Exchange of India Limited.

- XIII Members are requested to send all communications to our R & T Agents at the following address:

Link Intime India Private Limited

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

Tel. No.: +91 22 4918 6000;

Fax No.: +91 22 4918 6060,

E-mail: rnt.helpdesk@linkintime.co.in

17. The requirement to place the matter relating to ratification of appointment of Statutory Auditors by Members at every Annual General Meeting is done away with as per Companies (Amendment) Act, 2017 vide notification dated May 07, 2018 issued by Ministry of Corporate Affairs. Accordingly, no resolution was proposed for ratification of appointment of Pathak H.D. & Associates LLP. Chartered Accountants, who are the Statutory Auditors of the Company and were appointed at the Sixth Annual General Meeting held on September 21, 2017. Further, they have confirmed that they are eligible in terms of Section 141 of Act to continue as Statutory Auditors of the Company. The details of remuneration paid to Auditors is provided in the Annual Accounts for the year ended March 31, 2020.

By order of the Board of Directors

For Praxis Home Retail Limited

Smita Chowdhury

Company Secretary & Compliance Officer

Place: Mumbai

Date : September 02, 2020

Registered Office:

Praxis Home Retail Limited

(CIN: L52100MH2011PLC212866)

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

ADDITIONAL INFORMATION RELATING TO THE ORDINARY BUSINESS

Item No. 2

Mr. Shirang Sarda, Non Executive Non Independent Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment.

A brief profile of Mr. Shirang Sarda, including nature of his expertise along with related details as required under the provisions of the Companies Act, 2013 (the "Act"), Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings ("SS-2") is provided in **Annexure -A** to this Notice.

Mr. Shirang Sarda shall be deemed to be concerned or interested in the resolution to the extent of his appointment and shareholdings in the Company. None of the other Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

The Board of Directors recommends the resolution at Item No. 2 as Ordinary Resolution for the approval of the Members.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") provides for obtaining approval of the Shareholders for entering into material related party transactions as provided therein. Further, in terms of the provisions of Section 188(1) of the Companies Act, 2013 read with Rules framed thereunder, for entering into related party transactions where the transaction value exceed the thresholds prescribed, prior approval of the Shareholders by way of an Ordinary Resolution is required.

Accordingly, in terms of the provisions of the SEBI Listing Regulations and the Companies Act, 2013, approval of the Shareholders of the Company is being sought by way of an Ordinary Resolution set out at Item No. 3 of this Notice.

Pursuant to the requirements prescribed under the Companies (Meetings of the Board and its Powers) Rules, 2014, as amended from time to time, the details in relation to the proposed transactions with related parties, is as under:

Name of the Related Party	Nature of Relationship	Name of Director or Key Managerial Personnel who is related, if any	Nature of Transactions as per Section 188 of the Companies Act, 2013	Monetary value (₹ in Lakhs)	Nature, Material Terms, and particulars of the contract or arrangement	Any other information relevant or important for the Members to take decision on the Proposed resolution
Future Lifestyle Fashions Limited	Enterprise which have significant influence	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Occupancy cost and other store expenses	12,500.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been reviewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.

Name of the Related Party	Nature of Relationship	Name of Director or Key Managerial Personnel who is related, if any	Nature of Transactions as per Section 188 of the Companies Act, 2013	Monetary value (₹ in Lakhs)	Nature, Material Terms, and particulars of the contract or arrangement	Any other information relevant or important for the Members to take decision on the Proposed resolution
Future Enterprises Limited	Enterprise which have significant influence	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Payment for rent of Assets / Lease Rental	5,000.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The renting / leasing transactions and other transactions has been re-viewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
			Purchase of Goods and Services	50,000.00		
			Deposit for use of Assets / Lease Deposits	12,000.00		
			Sale of Goods and Services	4,000.00		
Future Retail Limited	Enterprise which have significant influence	Ms. Sridevi Badiga is the common Director, however neither she nor any other Director / Key Managerial Personnel is related to the transaction with the Related Party.	Purchase of Goods & Services (including Rent, CAM and others)	5,000.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been reviewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
			Sale of Goods and Services (including Rent, CAM and others)	5,000.00		
Future Supply Chain Solutions Limited	Enterprise which have significant influence	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Availing of transportation, CIF and warehousing services.	21,000.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been reviewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.

Name of the Related Party	Nature of Relationship	Name of Director or Key Managerial Personnel who is related, if any	Nature of Transactions as per Section 188 of the Companies Act, 2013	Monetary value (₹ in Lakhs)	Nature, Material Terms, and particulars of the contract or arrangement	Any other information relevant or important for the Members to take decision on the Proposed resolution
Future Coupons Limited	Group Company	No Director / Key Managerial Personnel related to the transaction with the Related Party.	Sale of Gift Vouchers, other goods & services	35,000.00	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis	The transaction has been reviewed and approved by the Audit Committee / Board and is in ordinary course of business and arms' length pricing has been established.
			Commission on sale	700.00		

No Shareholder of the Company being a related party or having any interest in the Ordinary Resolution as set out at Item No. 3 of the Notice shall vote to approve this Ordinary Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested in the aforesaid Ordinary Resolution set out at Item No. 3 of this Notice, save and except to the extent of their Directorship / Shareholding, if any, in the entity mentioned in the said Resolution.

Your Directors recommend the Ordinary Resolution proposed at Item No. 3 of this Notice for your approval.

IMPORTANT DISCLOSURE WITH RESPECT TO RELATED PARTY TRANSACTION WITH FUTURE CORPORATE RESOURCES PRIVATE LIMITED ("THE HOLDING COMPANY" / "FCRPL")

The Members are informed that the Company has borrowed funds of ₹ 1,00,00,000/- (Rupees One Crore only) from Future Corporate Resources Private Limited ("the Holding Company", "FCRPL") for payment of certain urgent statutory obligations and the said borrowing is pursuant to the provisions of Section(s) 180(1)(c) and 179(3)(d) of the Companies Act, 2013 ("the Act") read with Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions of the Act read with the applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and members' approval to procurement of borrowing limits exceeding the aggregate of paid-up share capital and free reserves and securities premium of the Company but at any time not exceeding ₹ 750,00,00,000/- (Rupees Seven Hundred Fifty Crore) as specified under the Act, by way of special resolution at its Extraordinary General Meeting held on November 20, 2017.

Further the Company at present has a limit of ₹ 750 crore over and above the paid-up share capital, free reserves and securities premium account. Considering the amount of financing facilities already availed by the Company from banks / financial institutions, the Company has enough surplus to borrow from FCRPL. The Committee of Directors' has the power to approve the borrowing of funds upto Rs. 200 Crore. Basis this, the Consent of the Committee of Directors, was accorded to borrow a sum of ₹ 1,00,00,000/- (Rupees One Crore only) from, the holding company of the Company incorporated under the Act, by way of "Loan repayable on demand" for meeting the working capital and other statutory obligations of the Company at rate of interest and upon such terms and conditions as agreed mutually between the Holding Company and the Company;

Further as the amount is upto ₹ 1 Crore is permissible under the omnibus approval route and does not need specific approval from the Audit Committee as the Companies Act, 2013 and SEBI (LODR) Regulations provide that any unforeseen transaction upto ₹ 1 crore may be undertaken provided it has been approved by the Audit Committee

under the omnibus approval route for which we have necessary resolutions in place passed by the Board and Audit Committee Meeting held on March 19, 2020.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives were in any way concerned or interested in the aforesaid transaction, save and except to the extent of their Directorship / Shareholding, if any, in the entity.

The Members of the Company are requested to take note of the same.

Item No. 4

Mr. Viraj Didwania currently holds the Office of Chairman & Managing Director of the Company and was appointed as Managing Director at nil remuneration by the Members of the Company at the Extraordinary General Meeting held on October 12, 2017 for a period of five years commencing from October 12, 2017. Further at the Seventh Annual General Meeting held on September 18, 2018 the Members accorded their approval for revision in remuneration payable to Mr. Viraj Didwania for a period of three (3) years and fixed the remuneration of ₹ 60,00,000/- (Rupees Sixty Lakh only) payable for the period from November 1, 2017 to March 31, 2018 and ₹ 1,68,00,000/- (Rupees One Crore Sixty-Eight Lakh only) per annum for the remaining period thereafter which expires on October 30, 2020. Further pursuant to the Item No. 4 of this Notice approval of the Members is sought for paying remuneration of ₹ 1,68,00,000/- (Rupees One Crore Sixty-Eight Lakh only) per annum to Mr. Viraj Didwania as Chairman & Managing Director of the Company for the remainder of his tenure i.e from November 1, 2020 to October 11, 2022.

The Board of Directors at its Meeting held on September 02, 2020, pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, had approved the revision in remuneration payable to Mr. Viraj Didwania as Chairman & Managing Director of the Company for the period from November 1, 2020 to October 11, 2022 on the terms and conditions as proposed in the Resolution at Item No. 4 of this Notice.

The Board is satisfied with the performance of Mr. Viraj Didwania as Chairman & Managing Director of

the Company and have appraised his leadership as Chairman & Managing Director during the Annual Evaluation of Performance of the Board its Committees and its Individual Directors as mandated by the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore recommends the remuneration as set out in the Resolution at Item No. 4 of this Notice to continue to avail his services and immense benefit to the Company from the same.

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

Mr. Viraj Didwania is also entitled for perquisites as mentioned herein below:

- **Perquisites:** Subject to overall ceiling as aforesaid, the Chairman & Managing Director shall have liberty to opt for such other allowances, perquisites and incentives as he deems fit including medical reimbursement, leave travel concession for self and family, club fees, use of Company provided cars and such other allowances, benefits, amenities and facilities, etc., as per the Company's Rules or as may be agreed to between the Board of Directors and the Chairman & Managing Director;
- The Chairman & Managing Director will also be a member of the Group Medical and Personal Accident Insurance policies of the Company;
- In addition to the perquisites referred above, he will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.
 - » Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);

- » Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- » Encashment of leave at the end of the tenure; and

Reimbursement of expenses incurred for the business of the Company.

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

In his present role Mr. Viraj Didwania has been entrusted with key responsibilities including substantial powers of management of the affairs of the Company, general control of the business of the Company fulfilled efficiently by Chairman & Managing Director subject to the supervision of the Board of Directors and his persistent endeavour to promote the interests and welfare of the Company. has rolled out various technology led initiatives to bring in a welcome change in the retail experience for the customers and constantly endeavors to achieve higher customer satisfaction and deliverables which is vital in the long run to put the Company on the path to growth and profitability. With his experience in retail sector and his contribution in overall growth and expansion of the Group, his role as Chairman & Managing Director has been very crucial for the overall growth and achieving profitability in the Company.

As required under the provisions of the Act, approval of the Members is being sought for the aforesaid remuneration payable to Mr. Viraj Didwania as Chairman & Managing Director of the Company for the period November 1, 2020 to October 11, 2022 as mentioned in Item No. 4 of this Notice. Accordingly, your Directors recommend the Special Resolution as set out in this Notice for the approval of the Members of the Company.

The Nomination and Remuneration Committee had reviewed the performance of Mr. Viraj Didwania and recommended revision in remuneration payable for the

remaining tenure, however due outbreak of COVID-19 pandemic, the Committee thought it fit to retain his remuneration at Rs. 1,68,00,000/- (Rupees One Crore Sixty-Eight Lakh only).

However, it is pertinent here to inform the Members that due to the COVID-19 pandemic and current financial situation of the Company, Mr. Viraj Didwania, Chairman & Managing Director has expressed his wish to voluntarily take a 20% pay-cut for the Financial Year 2020-21 (i.e. upto the period of 31 st March, 2021).

But, considering the immense responsibilities of the Chairman & Managing Director, this remuneration of Rs. 1,68,00,000/- (Rupees One Crore Sixty-Eight Lakh only) shall be reviewed and revised by the Board of Directors on recommendation by the Nomination and Remuneration Committee for the financial year 2020-21, in case the Company earns adequate profits, subject to the approval of the shareholders of the Company.

The break-up of current remuneration and proposed remuneration to Mr. Viraj Didwania is as follows:

Particulars	Proposed Remuneration (in ₹)
Basic	38,00,004
HRA	19,00,008
Allowance	1,07,88,996
Sub-Total (excluding Employers provident fund)	1,64,89,008
Commission	NIL
Total	1,64,89,008

Mr. Viraj Didwania does not hold managerial position of any other public company. Hence, the aforesaid remuneration shall be in compliance with the provisions of Section V of part II of Schedule V to the Companies Act, 2013

The Board recommends the Special Resolution as set out at Item No. 4 in this Notice for the approval of the Members of the Company.

Except Mr. Viraj Didwania himself and his relatives to the extent of their shareholdings in the Company, if any, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

IMPORTANT DISCLOSURE WITH RESPECT TO ITEM NO. 1 - PREFERENTIAL ISSUE OF COMPULSORILY CONVERTIBLE DEBENTURES OF THE COMPANY FORMING PART OF THE NOTICE CONVENING THE EXTRA-ORDINARY GENERAL MEETING HELD ON 30TH OCTOBER, 2019

Pursuant to Regulation 163 (1) (i) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 with respect to the disclosure in Schedule VI to the aforesaid Regulations, the Company hereby makes an additional disclosure

to that already made in the Notice Convening the Extraordinary General Meeting (EGM) held on October 30, 2019 in the explanatory statement to Item No - 1 Preferential Issue of Compulsorily Convertible Debentures of the Company that:

“Neither the issuer nor any of its Promoters or Directors is a wilful defaulter as defined in Reg. 2 (III) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.” Hence, no disclosure specified in Schedule VI of the aforesaid regulation, is applicable.

The said resolution was approved by the members at its aforesaid EGM by way of a special resolution.

The Members of the Company are requested to take note of the same.

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

Smita Chowdhury
Company Secretary & Compliance Officer

Place: Mumbai

Date : September 02, 2020

Registered Office:

Praxis Home Retail Limited

(CIN: L52100MH2011PLC212866)

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

Annexure – A

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

Name of the Director	Mr. Shrirang Sarda	Mr. Viraj Didwania
DIN	00576667	02412474
Date of Birth	May 01, 1972	April 04, 1982
Age	48 years	38 years
Date of first appointment on the Board	December 12, 2017	October 12, 2017
Qualifications	Commerce graduate from BYK College of Commerce and MBA from Simon Business School, University of Rochester in 1996	Graduated with dual majors in Commerce from the Business School and Economics from the University of Virginia in 2004
Experience and Expertise in Specific Functional Area	<p>Mr. Shrirang Sarda joined the Sarda Group family business in 1996 and played a key role in diversifying the Sarda family's Bidi business. He was instrumental in establishing a world-class dairy farm, Sarda Farms, and setting up its last mile distribution for chilled milk. He pioneered Yogi Ayurvedic Products Private Ltd. a leading GMP certified company engaged in manufacturing Ayurvedic products. He initiated the Sarda Group's diversification in the hospitality industry with the launch of Apple Country, Manali, one of the highest-occupied hotels of Manali. As Director of TLC Relationship Pvt. Ltd. (a leading CRM services company for the hospitality vertical), led the technology aspect for CRM services.</p> <p>He developed Nashik's first shopping centre, 'The Zone', integrating Retail, Entertainment and Leisure to attract national retailers to the city. He is the Chairman of 'City Center Mall Pvt. Ltd.', a 5,50,000 sq. ft. shopping center in Nashik integrating retail, entertainment and food, which intends to create a world-class digital customer experience. He is the Chairman of Shreelekha Nagari Sahakari Adhikosh Ltd., a micro-finance society for over 12,000 women. Also involved in various non-profit and CSR activities. He aspires to enrich social sensibilities across the Sarda Group.</p>	<p>Mr. Viraj Didwania has been associated with our Company since October 2017. He has years of experience in investment banking, M&A transactions, capital raising activities etc. His responsibilities include leading the management and operations team, growth, governance and financial prudence in the business of the Company subject to the supervision of the Board of Directors and endeavour to promote the interests and welfare of the Company. Previously, he worked as a consultant for Ernst and Young (from Aug 2004 to Sep 2005) and as an investment banker with Morgan Stanley, both in New York City (from Sep 2005 to Aug 2008).</p> <p>At Morgan Stanley, he was involved in headline making M&A transactions and capital raising activities mainly for companies in the Metals and Mining space as well as some transactions in the Consumer and Retail space. He also has six years experience in managing silver wholesale trading business in India.</p>

Name of the Director	Mr. Shirang Sarda	Mr. Viraj Didwania
Terms and conditions of appointment/ revision	As approved by the Nomination & Remuneration Committee and the Board of Directors of the Company	As per the resolution at item no. 4 of the Notice read with Statement thereto.
Number of Board meetings attended during the year 2019-20	4 out of 6 Board Meetings	6
Directorship held in other Listed companies (As on March 31, 2020)	None	None
Directorship in other Public Companies (excluding foreign companies & Section 8 companies)(As on March 31, 2020)	None	None
Chairmanship / Membership of Committees of the Board of Directors of other Listed companies (As on March 31, 2020)	None	None
Shareholding (as on March 31, 2020)	50 equity shares	None
Relationship with other Directors/Key Managerial Personnel(s)	Not related to any Director/Key Managerial Personnel(s).	Not related to any Director/Key Managerial Personnel(s).

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

ANNEXURE B – FOR ITEM NO. 4 OF THE NOTICE

(Information / Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder):

I. General Information

- | | |
|--|--|
| 1. Nature of Industry | : The Company is engaged in Retail Business and operates on pan India basis. |
| 2. Date or expected date of Commercial Production | : N.A. (since the Company has already commenced its business Activities). |
| 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | : N.A. |
| 4. Financial performance of the Company based on given indicators | |

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Paid up Share Capital (*)	1381.66	1,231.66	1,231.66
Total Turnover	70,277.39	68,280.56	38,054.06
Profit / (Loss) before tax	(8,072.46)	(2,609.82)	(277.55)
Net Profit / (Loss) after tax	(8,073.83)	(2,693.77)	(199.10)
EPS – Basic and Diluted (in ₹)	(32.24)	(10.94)	(2.67)

5. Foreign Investments or collaborations, if any :

There is no direct foreign investment in the Company as on date of this notice and no foreign collaboration in the Company. Foreign investors deal in the Equity Shares of the Company, which is listed on BSE and NSE through secondary market.

II. Information about the Appointee:

Particulars	Mr. Viraj Didwania
Background details	Mr. Viraj Didwania holds a Graduate Degree with dual majors in Commerce from the Business School and Economics from the University of Virginia in 2004. He has been associated with our Company since October 2017. He has years of experience in investment banking, M&A transactions, capital raising activities etc. His responsibilities include leading the management and operations team, growth, governance and financial prudence in the business of the Company subject to the supervision of the Board of Directors and endeavour to promote the interests and welfare of the Company. Previously, he worked as a consultant for Ernst and Young (from Aug 2004 to Sep 2005) and as an investment banker with Morgan Stanley, both in New York City (from Sep 2005 to Aug 2008). At Morgan Stanley, he was involved in headline making M&A transactions and capital raising activities mainly for companies in the Metals and Mining space as well as some transactions in the Consumer and Retail space. He also has six years experience in managing silver wholesale trading business in India.

Particulars	Mr. Viraj Didwania
Recognition and Awards	The Recognition and Awards received are not relevant with respect to the Retail Industry
Past Remuneration	<p>The Remuneration received in the financial year 2017-18 was the minimum remuneration as per Schedule V of the Companies Act, 2013 being ₹ 60,00,000 (Rupees Sixty Lakh only).</p> <p>Thereafter for the financial year 2018-19 and 2019-20 he received a remuneration of ₹ 1,68,00,000/- (Rupees One Crore Sixty -Eight Lakh only) per annum, in accordance with the resolution passed at the 7th AGM.</p>
Job profile and his suitability	<p>As Chairman & Managing Director of the Company, Mr. Viraj Didwania holds executive position for business responsibilities including substantial powers of management of the affairs of the Company, general control of the business of the Company subject to the supervision of the Board of Directors and continuously strives to promote the interests and welfare of the Company and all its stakeholders.</p> <p>During his tenure till now Mr. Viraj Didwania has rolled out various technology led initiatives to bring in a welcome change in the retail experience for the customers and constantly endeavors to achieve higher customer satisfaction and deliverables which is vital in the long run to put the Company on the path to growth and profitability.</p> <p>Further Mr. Viraj Didwania also brings with him rich work experience as a Consultant for Ernst and Young and as an investment banker with Morgan Stanley, and was involved in M&A transactions and capital raising activities and also has experience in the Consumer and Retail Space.</p>
Remuneration proposed	As mentioned in the resolution and statement annexed.

Particulars	Mr. Viraj Didwania
Comparative remuneration profile with respect to industry, size of company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	<p>Despite the slowdown that retail industry is facing around the globe due to COVID-19 pandemic, it is expected to grow at a steady pace presenting ample of business opportunities to increase the market size and market reach which would require vigorous efforts on part of the Management and leadership team of the Company.</p> <p>Considering that Mr. Viraj Didwania is at the helm of the leadership team and is responsible for operations and management of the Company and his experience, qualifications and knowledge of Mr. Viraj Didwania the Board of Directors consider the proposed remuneration to be in line with the industry norms, size of the Company and the segment into which the Company carries on its business.</p>
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Viraj Didwania is the Son-in-Law of Mr. Kishore Biyani, Promoter of the Company and Spouse of Ms. Ashni Kishore Biyani who forms part of the Promoter Group of the Company. At present he does not hold any share in the Company. Besides the present and proposed remuneration he does not have any other pecuniary relationship with the Company.

III. Other information:

1. Reasons of loss or inadequate profits:

During the financial year 2017-18, 2018-19 and 2019-20 the Company had incurred losses due to various initiatives of the Company to improve sales and optimise costs to improve profitability in the forthcoming years. Also in the forthcoming financial years, the management expects that keeping in mind gearing up of the overall economy, post the COVID-19 pandemic the business of the Company will improve subject to internal and external risks.

2. Steps taken or proposed to be taken for improvement:

Under the leadership and guidance of Mr. Viraj Didwania the Company has undertaken various initiatives as outlined under the heading "COVID-19 impact", in our Annual Report, to improve its growth and profitability. The Company has been reviewing the performance of its brick and mortar and online formats and projects better profitability in future through better performance of its various brands.

The Company has also focused on the growth of its brands portfolio and expansion of the retail network by increasing its presence in new cities and expanded its products offerings, added new stores.

The Management is hopeful that the above steps shall result in the improvement of the Company's business in the forthcoming years.

3. Expected increase in productivity and profits in measurable terms:

The Company expects that with various steps proposed to be taken as stated above, coupled with its proposal to partner with high growth brands, it will be able to further improve the same store growth and its operating margins to deliver improved performance in the years to come and shall have adequate profit to make payment of managerial remuneration as approved by the Members of the Company.

IV. Disclosures:

The details of remuneration paid to all Directors along with relevant details are provided in the Corporate Governance Report which forms part of the Annual Report. As required the details of remuneration proposed to be paid to the Chairman & Managing Director is provided in respective resolutions and statements as provided above.

PRAXIS

HOME RETAIL LIMITED

ANNUAL REPORT 2019-20

THE **ART OF**
BETTER LIVING





ACROSS THE PAGES

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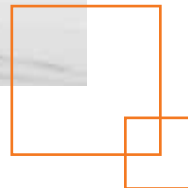
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Please find our online version at

<https://www.praxisretail.in/annual-reports.html>

Investor Information

CIN:	L52100MH2011PLC212866
BSE Code:	540901
NSE Symbol:	PRAXIS
AGM Date:	September 28, 2020
AGM Mode:	Video Conferencing / Other Audio Visual Means

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

THE ART OF BETTER LIVING



OUR VISION GOES BEYOND THE PRODUCTS WE SELL. EACH DAY WE INSPIRE OUR CUSTOMERS TO CREATE BEAUTIFUL LIVING SPACES THAT ARE UNIQUE TO THEM.

Our business idea supports this vision by providing a diverse range of high quality, functional and trendy furniture, home furnishings, decor, homeware, modular kitchens and complete home interiors through our physical and online stores.

OUR
BUSINESS
at a **GLANCE**





WE ARE THE INDUSTRY LEADERS IN INDIA WITH A STRATEGIC FOCUS ON HOME RETAIL.

Home retail is our core competence. We are the industry leaders in our field. We create value for our clients through our Brand, HomeTown, by providing a range of great quality home products and services for our consumers.

Marking our journey from 2007, we aim to create the living spaces that are unique. To take this idea forward, we create the trendy furniture and home décor that makes people's life better thus, fulfilling our vision. We offer a wide range of products for furniture, homeware, customised solutions in kitchen and wardrobes and home improvement. With our 47 stores in 28 cities, we are dedicatedly creating the best product and the best experience for our customers.

Our increase in scale and focus on execution, allows us to provide our customers with the best value in terms of quality and cost. Along with this, we provide the most exciting and innovative solutions in personalised interior designing and services for homes and offices. Our online presence allows us to cater for the specific needs of the new-age online customers.

OUR VALUES

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

INDIANNESS

Believing in oneself and the Indian way

LEADERSHIP

In thought and in business

RESPECT & HUMILITY

In dealing with everyone within & outside the organisation

INTROSPECTION

For continuous learning, self-development and personal excellence

OPENNESS & ADAPTABILITY

To new ideas, knowledge and proactive in meeting challenges emerging from changing business scenarios

VALUING & NURTURING RELATIONSHIPS

With customers, business associates, stakeholders, communities and society

SIMPLICITY & POSITIVITY

To foster innovation, speed and imagination

FLOW

With learnings and be inspired from the universal laws of nature

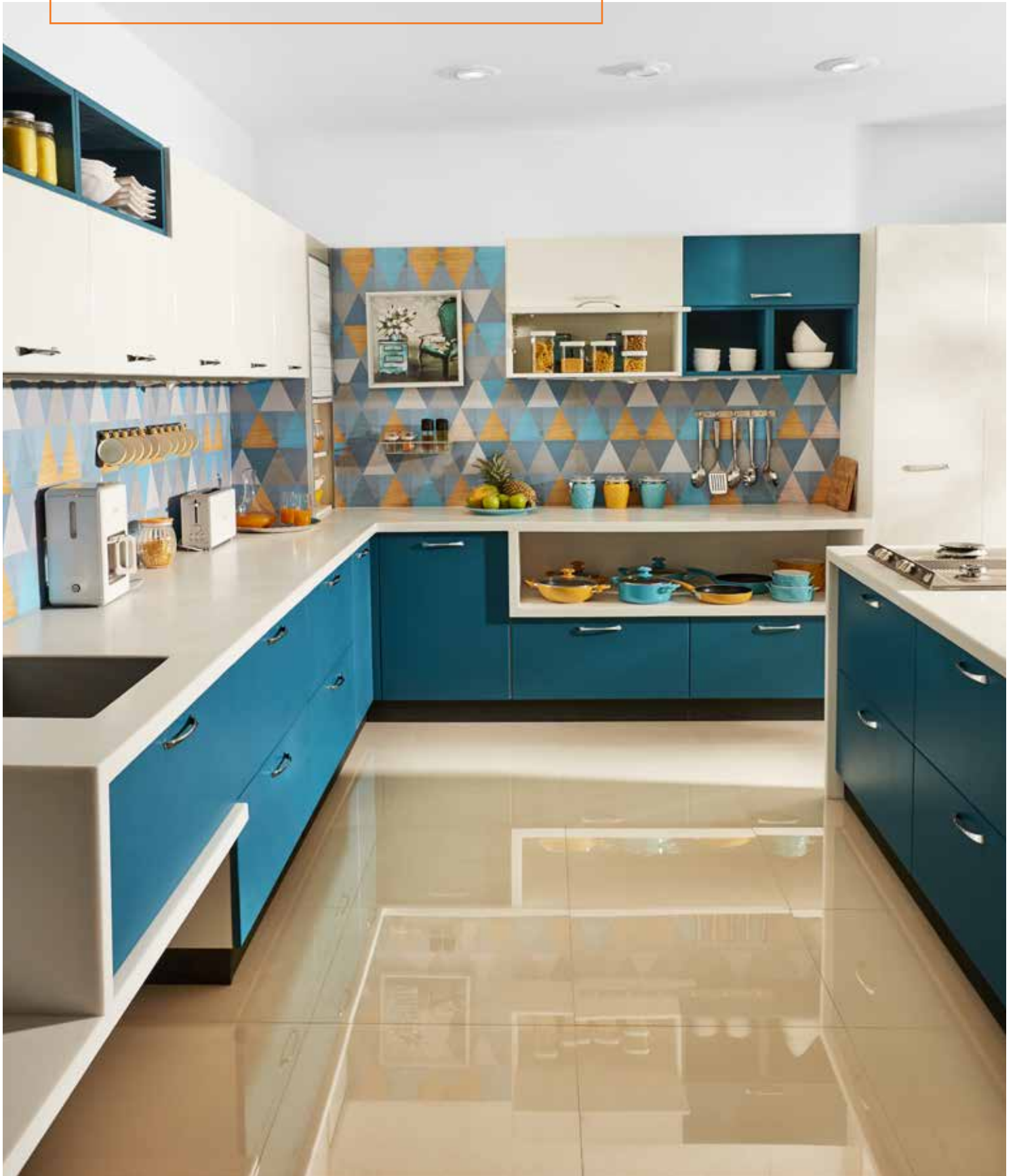
FURNITURE



HOMWARE



MODULAR KITCHEN



ELECTRONICS



GEOGRAPHICAL PRESENCE



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



OPERATIONAL KPI'S

47
STORES

28
CITIES

Spread over
9.5
Lakh sq.ft.
RETAIL SPACE

We serve over
15
Lakh
CUSTOMERS

₹ **703**
Crore (approx.)
SALES TURNOVER

We have approximately
2,000+
EMPLOYEES
ACROSS INDIA

Scaling up to
5,000
PIN CODES

MESSAGE from our **CHAIRMAN**

AS THE WORLD DEALS WITH THE EFFECTS OF THE PANDEMIC, AT PRAXIS, WE PRUDENTLY TOOK DECISIVE ACTION TO RESPOND TO THE UNFOLDING CHALLENGES



Dear Shareholders,

We have been in the midst of a once-in-a-century phenomenon over the past few months. The global economy has been grappling with COVID-19. It has wobbled the economic foundations of world trade and has triggered unprecedented social, health, economic, and business responses. COVID-19 has fundamentally changed the way we live and work. It has brought in a new normal – work from home, social distancing and higher technology adoption.

Against this ever-changing backdrop, we, at Praxis, have taken prompt and prudent action to respond to the unfolding challenges. We have been constantly engaging with all our stakeholders to understand the best ways to deal with the threats and opportunities posed by the pandemic. Nevertheless, business environment has been tough and green shoots of hope have not been easily forthcoming.

REVENUE PERFORMANCE DURING FY 2019-20

Your Company achieved a turnover of Rs. 703 Crore, up by 3% as compared to the previous year. This was despite the

slowdown experienced in March 2020, owing to COVID-19. In fact, revenue growth till February 2020 was at a healthy 7%. However, the tough economic environment affected profitability, leading to a loss for the year.

I have therefore taken the opportunity of this communication to update you with the steps that we have been taking to improve our performance.

REVENUE INITIATIVES

We persisted with our philosophy of opening stores in locations where our target customers exist. Accordingly, your Company opened four new stores, three of which were the regular HomeTown stores and the fourth based on the concept of a design studio.

Your Company's E-commerce channel has grown well with a y-o-y growth of 46%. We have continued to forge partnerships with marketplaces to increase our online presence across India.

We have strengthened and flexed our omnichannel offering, considering the current unique challenging times. We have made it easier for customers. They can start their purchase journey in the physical store and complete it online; or start their purchase journey online and complete it in the physical store.

These tumultuous times have seen us continue to focus on the essentials:

- Strengthening our relationships with online marketplaces
- Improving customer experience on www.hometown.in
- Providing efficient customer service
- Bolstering digital and electronic capabilities to reach out to our customers and serve them better

OPERATIONAL EFFICIENCY INITIATIVES

During FY 2019-20, your Company took several initiatives to increase the operational efficiency with regards inventory management and order fulfilment process among other components of operations. Some of these initiatives were:

- **Intelligent Replenishment:** Replenishment from mother warehouse to regional distribution centre (DC) and to stores is automated through an intelligent system which allocates stocks based on sales. This has enhanced product availability, thereby reducing loss of sales through 'stock out' situations.
- **Inventory Turn Over:** The speed at which we can sell our inventory is a critical measure of business performance. It also impacts income velocity. The longer an item is held, the higher its holding cost. Besides, slow movement of inventory also prevents newer items from going on the floor. By increasing availability of our fast sellers and accelerating our re-ordering cycles, we have been able to increase inventory turns for Furniture and Homeware.
- **Space Rationalisation:** We have been progressively undertaking an exercise across all our stores to optimise space utilisation, so as to derive the consequent margin efficiency. Space reallocation

between categories, based on the performance and resizing of stores, have helped us contain operational costs.

TECHNOLOGY INITIATIVES

We focused on launching the Customer Service module of Salesforce and initiating stringent Change Management for adoption of the platform. Some of the key enablers for adoption were revamping of the operational KPIs of Furniture, measurement of Operational KPIs of Customer Service and Inter-store contests on adoption. This resulted in several wins for us

- A growth of 9% in revenue of Furniture despite a slump in footfall,
- 30% reduction in avoidable call traffic owing to Self-Service features such as Order Tracking and Complaint registration, among others, on hometown.in
- 40% reduction in superfluous talk-time owing to 360° view of the customer offered by our new CRM to our Customer Service team.

OUTLOOK

A lot depends on how the pandemic pans out. As of now, it looks as if it will take a long while before the infection curves flatten. This is expected to continue to have adverse effects on the economy as a whole, especially on sectors like ours where footfalls and customer gatherings are essential ingredients of revenue and profit growth. We are watching the situation alertly and will grab all opportunities that come our way, while warding off challenges.

GRATITUDE TO OUR PARTNERS IN PROGRESS

We are thankful to our valued shareholders for their continued support and trust in us. Earnest thanks are also due to our vendors and partners for their continued commitment and Support. I feel proud in acknowledging the commendable efforts, commitments and sacrifices on the part of our most-valued resource – our people. They have contributed their best and am sure they will continue to set new benchmarks.

I end with an assurance that we shall strive ceaselessly to enhance value for all stakeholders!

Thank you!

Viraj Didwania

Chairman & Managing Director

COVID-19 IMPACT

STORES

COVID-19 started having impact on customer inflow, as the whole nation observed lockdown. Home retail, falling in the discretionary category, saw a transformed consumer sentiment with only need-based purchases being undertaken. Walk-ins reduced by 95%, as compared to similar period.

- In April 2020, all the stores were closed due to lockdown in effect
- During May 2020, some stores opened, and we started getting some walk-ins
- During June 2020, stores opened in staggered manner
- Footfalls have seen a decline, with the malls being the worst affected

ONLINE BUSINESS

Online business drastically reduced from March 2020 on all platforms (Hometown.in & Marketplaces). Cashflow from market places impacted were due to disruption caused by lockdown in effect.

- April 2020, the traffic on Hometown.in reduced to half
- After May 2020, the traffic on Hometown.in increased due to marketing campaigns
- During June 2020, the organic traffic on Hometown.in increased

SUPPLY CHAIN

- Operations were halted at every warehouse since March 2020, until it reopened in a phased manner from May 2020
- In June 2020, all the warehouses commenced operations on a constrained capacity basis
- The disruption caused by lock down in various cities led to issues in fulfilling the pending orders

PRAXIS RESPONSE

Praxis leadership team spent a lot of time speaking to our various stakeholders to come up with timely and innovative solutions to many issues faced during these tough times. Below is a brief snapshot of some of the initiatives taken by Praxis.

ONLINE BUSINESS

- Leveraging the 'work from home' mandate, a marketing campaign focusing on home work-desks and chairs, was launched in the last week of March 2020 on Facebook and Google.
- Formulated a quick response digital marketing plan to drive sales during lockdown. The campaigns were designed with disruptive pricing and relevant messaging to create a sense of urgency and purchase action.
 - **Nine to Nine** (24 hours sale on Recliners)
 - **48 Hours to Save Sale** (category specific - Bedrooms, Living, Dining)
 - **Summer Stock Up Sale** (homeware only)
 - **Deal on Deal** ('Weekend only' sale with reduced prices on our best-sellers)
 - **Steal of the Day** (Single day single product sale)
 - **Home Essentials** (Categorised lockdown 'must have' products to drive intent)
- Instituted a 'Same Time Return' policy to reduce friction of purchase of high ticket furniture items online.

INVENTORY

- Focus on liquidation of slow-moving inventory by providing attractive pricing
- Developing local vendors to reduce reliance on imports

PEOPLE

- Recognising employees and teams
- COVID-19 coverage in mediclaim policy
- Creating awareness about COVID-19 and its safety precautions

SUPPLY CHAIN

Worked closely with existing and new supply chain partners to expedite delivery to customers to the best of our ability given the challenging circumstances. Several innovative solutions were implemented which helped us improve our ability to deliver goods to our customers.



CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. VIRAJ DIDWANIA

Chairman & Managing Director
DIN: 02412474

MR. SHRIRANG SARDA

Non-Executive Non-Independent Director
DIN: 00576667

MR. SHANTANU SHAH

Independent Director
DIN: 07012322

MR. PANKAJ BHARGAVA

Independent Director
DIN: 02685275

MR. S.SUBRAMANIAN

Independent Director
DIN: 00092215

MS. SRIDEVI BADIGA

Independent Director
DIN: 02362997

STATUTORY AUDITORS

Pathak H.D. & Associates LLP
(Membership No. 107783W /
W100593)

CHIEF FINANCIAL OFFICER

Mr. Anil Chandak

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Smita Chowdhury

SECRETARIAL AUDITOR

M/s. Anant Gude & Associates
Practising Company Secretary
ACS No. 7219 / CP No. 18623

SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd. C-101,
Embassy 247, L. B. S. Marg,
Vikhroli (West), Mumbai - 400
083. Tel. No. + 91 22 4918 6000
Fax No. + 91 22 4918 6060
Website: www.linkintime.co.in

BANKERS

RBL Bank Limited
State Bank of India
Axis Bank Limited

REGISTERED & CORPORATE / STORE SUPPORT OFFICE

iThink Techno Campus, Jolly Board Tower D,
Ground Floor, Kanjurmarg (East),
Mumbai – 400 042, Maharashtra
Tel : +91-22-7106 8031
Fax: +91-22-7106 8032
Website: www.praxisretail.in

INVESTOR EMAIL ID

Investorrelations@praxisretail.in

CORPORATE IDENTITY NUMBER

L52100MH2011PLC212866

DATE OF INCORPORATION

January 31, 2011

ISIN OF THE COMPANY'S EQUITY SHARES OF ₹ 5/- EACH

INE546Y01022

STOCK EXCHANGES WHERE THE COMPANY'S EQUITY SHARES ARE LISTED

- i) BSE Limited (BSE)
- ii) National Stock Exchange of India Limited (NSE)

Date of Listing: January 31, 2018

BSE SCRIP CODE: 540901

NSE SCRIP CODE: PRAXIS

DEPOSITORIES

i) National Securities Depository Limited (NSDL)
Trade World, A Wing, 4th Floor, Kamala Mills
Compound, Lower Parel, Mumbai – 400013.

ii) Central Depository Services (India) Limited
(CDSL) Marathon Futurex, A Wing, 25th Floor,
N M Joshi Marg, Lower Parel, Mumbai – 400013.

BOARD OF DIRECTORS



MR. VIRAJ DIDWANIA

Chairman & Managing Director
DIN: 02412474



MR. PANKAJ BHARGAVA

Independent Director
DIN: 02685275



MR. SHRIRANG SARDA

Non-Executive Non-Independent Director
DIN: 00576667



MR. S. SUBRAMANIAN

Independent Director
DIN: 00092215



MR. SHANTANU SHAH

Independent Director
DIN: 07012322



MS. SRIDEVI BADIGA

Independent Director
DIN: 02362997

Management Discussion and Analysis

Industry Overview¹

The Indian retail industry is one of the world's fastest growing industry. This growth anticipation is driven by various socio-demographic and economic factors like urbanisation, income growth and rise in nuclear families, expected to boost consumption. With the US and UK anticipated to clock in a CAGR of 3.6% and 4.5%, respectively, India's consumption is likely to outperform that of these developed nations. The boost in consumption is likely to attract a larger chunk of organised players in India. To encourage investors and create a friendly atmosphere, India has worked hard in terms of setting up a business. India ranked 63rd in the World Bank's Ease of Doing Business 2020 publication. The country also ranked 73rd in the United Nations Conference on Trade and Development's Business-to-Consumer (B2C) E-commerce Index 2019. India is the world's fifth largest global destination in the retail space. In FDI Confidence Index, India ranks 16th (after U.S., Canada, Germany, United Kingdom, China, Japan, France, Australia, Switzerland and Italy). India's retail sector attracted US\$ 970 million from various private equity (PE) funds in 2019.

Over the last few decades, the growth in the residential real estate industry has given an impetus to the home décor market. Parallely, it has also given rise to brand consciousness and upgradation in the living style of home owners. Hence boosting the demand for stylish interiors and colourful classy décor.

COVID-19 IMPACT:

The COVID-19 global pandemic is having a profound impact on consumers' lives. As stay-at-home orders and country-wide lockdowns start to be eased, consumer behavior continues to be driven by new personal circumstances, such as changes in discretionary income and spare time, and reconsidered values and priorities.

Impacts

Changes to disposable income and available leisure time are influencing consumers' attitudes, behaviors and purchasing habits. Some of the consumers are finding themselves 'financially-squeezed', with less disposable income compared to before the crisis, and are shopping more cost consciously, whereas some have increased both their disposable income and free time, and are enjoying new leisure pursuits.

In markets where the pandemic is stabilizing, economic concerns remain high, denting consumer confidence. And although fears about health are gradually subsiding, consumers remain uncomfortable about visiting public places, although they are relatively more comfortable with familiar places such as grocery and pharmacy stores. Consumers are more mindful than ever about what they are buying—and it's a mindset that's likely to continue.

Demand for local goods is growing, as consumers seek out products they feel they can trust, and efficiency is also on consumers' minds, as they are doing fewer and larger shopping trips.

Changing Dynamics

COVID-19 pandemic continues to impact Indian retailers at an unprecedented scale. The crucial question is to find the new normal. Since the lockdown, retailers across all spectrums are facing a multitude of challenges. Even food and grocery retailers have faced critical challenges. Leveraging digital technologies are imperative to fill the void and complement evolving consumer needs via their preferred channels, contactless experience and 360-degree convenience.

Omnichannel and customer experience matters:

New retail has to be the convergence of physical and digital commerce. Retailers need to be present where consumers are, instead of depending on store

¹ <https://www.livemint.com/industry/retail/india-s-retail-market-to-touch-1-1-1-3-trillion-by-2025-bcg-11582714221778.html>,
<https://economictimes.indiatimes.com/news/economy/indicators/india-ranks-73rd-in-un-index-assessing-e-commerce-readiness/articleshow/72364526.cms#:~:text=UNITED%20NATIONS%3A%20India%20has%20ranked,places%20up%20in%20the%20list,>
<https://economictimes.indiatimes.com/news/economy/indicators/india-jumps-to-63rd-position-in-world-banks-doing-business-2020-report/articleshow/71731589.cms?from=mdr,ibef.org>

footfall. New models like click n collect or deliver at home with a pre-fed monthly shopping list is the new norm. Other popular international models remain Scan & Go, integrated with digital payment to maintain social distancing. In addition, personalised customer experience and social listening are crucial to retain brand loyalty. A market which predominantly operates from the malls is fast-changing and accepting the new normal.

Cloud and integrated E-commerce: With low infrastructure cost and ease of use, cloud services have opened new channels for mid-tier retailers to introduce integrated E-commerce services along with complete customer experience and personalised services. Order orchestration and management tools ensure timely online fulfilment directly through dark stores to liquidate locked inventory.

Retail Industry

The outbreak of COVID-19 has caused unimaginable and unprecedented damage to the world economy, translating into an economic slowdown in 2019-20. Some signs of recovery have already begun to show since the mid of financial year 2020-21. The various steps taken by different countries have gradually started showing positive signs. However, it will certainly take a while before the economy bounces back completely. The high frequency data corresponding the performance in first quarter of the financial year 2020-21 is expected to be quite erratic patches of growth and sustained slowdown in different parts of the quarter. The second half is estimated to more accurately reflect the tail risk of the pandemic, highlighting the true nature, duration, and gradient of the recovery. Nevertheless, the long-term outlook for the industry seems positive. This estimation is supported by rising incomes, favourable demographics, entry of foreign players, and increasing urbanisation.

Modern Retail²

E-commerce is steadily expanding in the country backed by positive consumer sentiments. Customers

have an extensive choice of products available at the lowest rates. E-commerce is probably creating the biggest revolution in the retail industry, and this trend is expected to continue in the years to come. There has already been a major shift in categories like electronics, apparel, and footwear on E-commerce.

Due to outbreak of COVID-19 there is a surge observed in demand on Online platforms, lot of first-time buyers are compelled to opt the online route because of the social distancing and lockdown norms. Many have found comfort and ease in online buying hence a shift has been observed in buying pattern across categories. Unfortunately the Supply chains are equally affected for Physical stores as well as online channels and initially customers had to adjust with long timelines and unexpected delay in deliveries. Now, the situation seems to be stable and an increase in demand is observed.

This pandemic has set the Indian Ecommerce industry for an accelerated growth. As per Bain & Company report, "The Indian e-retail market is primed to reach 300 to 350 million shoppers over the next 5 years – increasing the online Gross Merchandise Value (GMV) to \$100 to 120 Billion by 2025."

Your Company's online platform Hometown.in also saw a surge, customer visits doubled as compared to the last year. Praxis also faced challenges w.r.t supply chain initially but over the time the situation stabilized.

Praxis took several initiatives to lessen the impact and make sure that customers can continue shopping for their needs. Please find below couple of such initiatives:

- To ease customer purchase through online channel and overcome the hurdle of touch and feel during high ticket purchases, Praxis introduced a policy of Same Time Return, under which customer can return the product ordered online if they don't like the product post delivery as opposed to our 24 hour cancellation policy
- Praxis reached out to our existing customers

² <https://www.livemint.com/industry/retail/india-s-retail-market-to-touch-1-1-1-3-trillion-by-2025-bcg-11582714221778.html#:~:text=Share%20of%20all%20electronics%20sold,drive%20their%20growth%20and%20relevance.,ibef.org>

through a Whatsapp campaign to understand their needs and tried to fulfill the same to best of our abilities.

Your company is rapidly building up systems and processes in wake of the pandemic and making sure that we are ready to handle the increase in demand through online channel and provide best in class experience to the customers.

Home Décor³

The home décor market is growing nationally at a steady upward trend. The year 2019-20 was of dynamic changes as various companies witnessed transformation in innovative thinking and creativity. The year also saw an increasing number of brands bolster their online experience with offline centres. This resulted in a more personalized customer experience. Knowing enough about customers even before they walk into the store is no longer sci-fi, it is mainstream!

Every category right from furniture (sofas, tables, beds), furnishings (drapes, bed linen, carpets & rugs) to complete home interiors (modular kitchens, wardrobes, storage units, wallpaper and painting, home automation), saw a rapid growth this year.

A significant market shift is being experienced amongst companies in the furniture and home decor segment with the transposition of the unorganised retail to organised retail sector. This shift, alongside the change in consumption patterns, is paving way to digital spending.

Demand Drivers

One phrase that has long been used to describe the Indian retail sector is 'immense potential'. The sector, still in a nascent stage as compared to developed countries, is currently on the rise, undergoing a phenomenal growth.

There is also an increasing preference of the Indian consumers to upgrade to a premium lifestyle. This is a clear indication of their willingness to pay more for premium branded goods. Various factors like

increased awareness about global trends, quest for better products and focus on healthier and holistic living are the reasons behind this shift in preferences. Some of the other prime factors expected to drive the future growth are summarised below:

Burgeoning Millennial Population and Changing Outlook towards Spending: With median age of 27 years, India is home to world's largest Millennial population. With 440 million of them, they make 34 percent of the total population in India. Further, their contribution to the Indian workforce is significantly higher at nearly 48 percent in FY 2019. Also the focus is shifting from high capex items like house and cars that the last generation saved and spent on, to spending more on experiences and on day to day things, buying better products and brands in a more convenient way.

Increasing Women Workforce: With changing societal mind set and increasing gender equality at office, women entering workforce has been on the rise in past few years. From FY 2014 to FY 2019, women workforce in India has increased from 5 million to 7 million respectively and is expected to reach 10 million by FY 2024. This has led to the increase in earning members and family income, thereby giving rise to discretionary spending. Today, women in India are getting independent in terms of their purchase decisions. This coupled with increasing time pressures and aspirations to spend on self-development, is giving rise to the consumption of new categories like personal care, readymade products etc.

Growth of Markets: With online players now delivering to the smallest of towns, consumers in these cities are aware of many international and indigenous brands available in the market. This spells a big opportunity for the modern retailers who are looking to enter into Tier III & IV markets. Many consumers living in Tier III & IV towns have now experienced the brands, through online purchases. Online portals are expected to play a key role for companies trying to reach out to maximum customers with varied needs and spending capacity. The internet has contributed in a big way to this by

³ <https://www.financialexpress.com/lifestyle/home-decor-interior-industry-looking-for-a-paradigm-shift-in-2020/1790036/>

facilitating a cheaper and more convenient means to increase a company's reach. Its presence goes beyond brick and mortar in a vast country like India.

Growing Wallet Share and Price Trade-Off: With growing GDP per capita and higher disposable incomes, consumers have become more aspirational and are open to buying new categories. This has led to a change in wallet share of Indian consumers. Significant growth in purchasing power and changing lifestyle are among the major growth drivers of Indian retail. Also, easy availability of credit and use of 'plastic money' have contributed to a strong and growing consumer culture in India.

Growth of Malls: With wide variety of international and domestic brands available and with growing consumer desire to own these brands at a more organised, better and bigger destinations, there has been a sharp rise in the number of malls operating in India. Earlier the mall development was confined to top Tier cities like Delhi-NCR, Mumbai, Hyderabad, Chennai, Pune etc. However the next round of mall development is expected to come from Tier III cities like Prayagraj, Coimbatore, Jamshedpur, Panaji, Udaipur etc.

Digital Drivers

Smart Shopping Carts: Many retailers have started introducing smart shopping carts and self-checkout options to achieve new benchmarks of convenient shopping experience. These carts serve as a direct response to online shopping, as they guide consumers to their products in their shopping list.

New Payment Gateways: With the advent of online payment companies or fintech companies, touchless commerce through contactless payment methods have increased exponentially. With the rise of internet and other payment methods including net-banking, online cash transfers, mobile wallets, single touch payments, payment through scanning code, etc. have shown an exponential increase in the country.

Residential segment growth: With an increasing number of people shifting their residential base to urban cities, the residential segment is experiencing a boost. This growth, supported by rising income and purchasing power over the last few decades, has given an impetus to the home décor market.

Information Technology Initiatives

While the last year was focused on putting together an omni-channel platform that connects both store engagement and online engagement, in FY 2020 the IT strategy was focused at the following premises –

- Institutionalizing the adoption of the platform by all stakeholders
- Expanding our online sales channels
- Improving efficiency by optimizing analysis of product categories

In order to institutionalize adoption of an omni-channel platform, your Company embarked on a major change management initiative. It ranged from revamping its operational KPIs at store, creating inter-store contests for platform adoption to assessment of lost sales and product interests for both offline and online customers. Despite slump in footfalls, it helped us in growing our Furniture sales.

In terms of online sales channel, the year under review saw the following major initiatives –

1. Hometown.in has become the internal sales channel offering Home Solutions for both Praxis Home Retail Limited and Big Bazaar. This has also helped in introducing two new categories – Luggage and Electronics – Small Appliances.
2. Expanded the presence in various marketplaces by leveraging drop-ship model

The year under review also saw the introduction of multiple analytical reports in Manthan, its Data-warehousing, Miningsolution. This includes automating sales reports, automating merchandise analytics per category, comparative analysis of products/brands, supplier analysis amongst others.

The primary objective was to improve the efficiency and effectiveness of the Product Category teams.

Business Overview

Your Company operates stores of home furniture and home fashion under the brand name of HomeTown and also operates the web portal (www.hometown.in) to drive online sales of Furniture, Furnishing products with wide range of assortment catering to large section

of customers. We are also present on leading market places like Flipkart, Amazon and Pepperfry. The web portal in addition to offering rich information on design & modular solutions i.e Design & Build, Modular

Kitchens & Wardrobes also helps in capturing details of potential customers to enable service closure by the physical stores.

HomeTown as a one-stop shop continues to thrive its focus on customer satisfaction while providing a wide range of furniture, home furnishing goods, design and build, other home related products and high quality services including complete home design, modular kitchen designing, electronics, along with great in store experience. Having opened four new stores in the current financial year, your company has a pan India presence with 47 stores across 28 cities as of March 31, 2020.

Your Company continues its strategy of adopting a measured approach towards growth that captures consumer spend from a growing set of Indian consumers and at the same time ensuring that this growth is sustainable and value accretive in the long run. A key focus for the Company is to increase its velocity of sales for its existing business and increase its overall retail space and presence. The objective has been to enhance assortment relevance, improve quality standards, shopping experience and reinvent ourselves for higher customer conversion ratio, better ticket sizes, better same store sales growth and focus on higher margin products.

Your Company is determined to design its format stores to be smarter and experiential through use of technology, innovation in services, layouts, sections and digital interface. It aims at attracting more evolved and experience seeking customers in key catchments and metros. These stores redefine the shopping experience and set new benchmarks for retailing in India. HomeTown store is where many of the Company's innovations and ideas to give consumers a world class shopping experience have come together.

As part of other efforts to enhance customers' shopping experience and have a bigger share of their shopping wallet certain other initiatives have also been taken.

This includes introduction of payback loyalty points, EMI facility through financing companies for spends above certain limit across stores of the Company, and many more initiatives. These innovative fast-growing digital tools are yielding deep consumer big-data which in-turn shall immensely help us in penetrating deeper into our customer-base while at the same time, bringing in new age customers in large numbers.

E-commerce

Our online business grew strongly in FY 2019-20 and we over achieved the target in spite of the slump in later half of March 2020 due to COVID-19 outbreak. Hometown has become a formidable brand on all the market places with a strong brand recall. We delved into new fulfilment models with marketplaces which gave us disproportionate returns and strengthened our brand image. With our vision to continuously enhance the customer buying experience we are revamping our website and app with new features and improved design. This will help us in increasing the conversion on the website and provide our users a seamless experience. We are working to develop a separate fulfilment structure for our E-Commerce business to further improve on the timelines and promise to the customer. This is being done by keeping in mind that we also optimize our supply chain to get maximum output by efficient utilization of resources.

There are lot of initiatives in progress and in pipe line to build on the omni channel experience so that customer has a seamless shopping experience both at Physical store or on our website.

We understand the importance of Online sales channel in post COVID-19 era hence your Company is determined to further strengthen our internal systems and processes to provide a world class experience.

Operational Overview

While the larger perspective of your Company is to expand its footprint across the physical and online space, due to the outbreak of COVID-19 we are looking at consolidating our business in the current year. The focus of your Company continues to be a one stop destination for all home interior requirements – products and services.

Digital initiatives continue to be built on at a rapid pace. We continue to strengthen our E-commerce operations both in the marketplace and through HomeTown. in. Your Company continues to work on optimizing productivity on per store basis which has become ever so important with stores reopening post COVID-19. To ensure the desired efficiency we are also looking to run some categories on SIS model (Office furniture, Home Improvement etc to name a few) which will ensure that we minimise risk w.r.t excess inventory without hampering the customer experience.

With a view to ensure customer and employee safety, we have also instituted various safety measures across all our stores to ensure a safe shopping environment.

Improving throughput per square feet continues to be a focus area through a combination of – improving footfalls, increasing conversions, introduction of newer and contemporary range of assortment across categories.

Through a combination of technology and skilled staff your Company strives to provide the best in class experience to the consumer. Improving productivity and efficiency yielding to more cost-effective back end operations continues to be a major focus.

Human Resource Initiatives

Human Resource is one of the key interfaces the Company has with its customers and hence it plays a vital role in writing the success story of any Company.

The Human Resource function's strategy is focused on creating a future-ready workplace strengthening the Company's culture, building capability for business and nurturing careers. We continue to develop our Front end Lines across all levels. Our values enshrine employee satisfaction and we continue to benchmark our practices against the best in the industry.

Your Company currently employs approximately 2,000 employees. With an aim to hire and retain good talent we have revamped our hiring strategy and initiated various recruitment methodology comprising of detailed stage wise interviewing process covering the areas of relevant competency and role-based interviews.

Your Company's success relies on the continued support of its dynamic and talented human capital. Attracting, enabling, and retaining talent have been the foundation of the People Office function.

Praxis' talent acquisition strategy is to hire candidates with right competencies required by the business at the right time to deliver business strategy. This has included promoting great internal talent and bringing fresh expertise from industry and campus trainees. As an equal opportunity employer, fuelled by inclusive hiring, we celebrate diversity and promote inclusion.

The reimagined approach to learning and development has helped the Company to train employees and new recruits on digital platform.

Continual pursuit to connect with employees on a regular basis, open and transparent communication, progressive HR policies have improved retention and employee engagement level.

Industry Outlook

The coronavirus pandemic has affected just about every area of our lives. Prior to the pandemic, the furniture industry's growth had traditionally been thought of as unstoppable with schemes such as Government of India's "Housing for all by 2022" which was to see construction of over 30 million new homes. In addition the rapidly increasing disposable incomes in hand, high aspiration of young Indians to improve their lifestyle, much greater international exposure through travel and media and a huge population of 1.28 billion people was also seen as positives for the home textiles, furnishings and home décor categories.

In these times of crisis many brands and thought leaders in the industry are looking to innovate with what they believe will be the key driving force in the months to come:

Eco-friendly furniture.

Coronavirus has also brought to fore the need for an effective supply chain response plan to mitigate risk and prepare for any interruptions that situations such as coronavirus outbreak can cause. This can involve, among other things, aspects like supplier engagement

response, critical inventory identification, production-capacity optimization, demand management, logistics-capacity pre-booking, and route optimization. Brands have also started identifying an increasing consumer preference for multifunctional and customized furniture as one of the prime reasons driving the office furniture market growth during the next few years. Some of the trends that have emerged during the pandemic have been flexible and multifunctional spaces, dark colored office furniture items and vertical gardens, plants and green cover.

In a nutshell, furniture which has a bright future are the ones that are eco-friendly, customer friendly, easy to handle and multifunctional.

Opportunities

Increase in disposable Income: With long-term prospects being bright for India's GDP, rise in consumer's disposable income will lead to shift towards premiumisation/ value added products coupled with cultural shift towards nuclear families present bright prospects for home stores like us.

E-commerce Business: COVID-19 global pandemic is a defining event of FY2020 and it will have implications on across various sectors. It also reflects change in consumer buying behaviour. E-Commerce will be a vital channel and an economic driver for both domestic growth and international trade.

Threats

Economic Slowdown: Slowdown in the Indian economy due to current global developments and uncertainties could adversely impact growth in the short-term. Possible impact could also spill over to channel partners and back-end supply chain partners. Disruption in supply chain and change in consumer spend behaviour pose certain risk to business.

Pandemic: The outbreak of pandemic COVID-19 has disturbed the political, social, economic, religious and financial structures of the whole world. It is also observed that the economic recovery from this fatal disease will take time. It has left severe impacts on the global economy as the countries face multiple difficulties to bring back the stable condition.

Risk and Concerns

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

Some of the significant risks are detailed below:

The current macroeconomic environment in the Country resulting in lower consumption levels induced by COVID-19 pandemic poses risk to the business in the short-term.

The Company's business model entails a long supply chain network and is critical to the seamless operation of the business operations. The Company has been focussing on de-risking and enhancing the effectiveness of the supply chain.

Regulatory changes pertaining to the industry in India currently in which we operate, which may not be in favour of Company impacting Company's growth plan and our ability to respond to them is an important risk that we have our energies focussed towards.

We proactively track all changes on the regulatory front and make sure our systems and processes are in compliance of the same. The general economic and political conditions in India, Indian monetary and fiscal policies, state of the economy also have impact on our business. An important element of our business is our procurement strategy which is largely import oriented. The Company closely tracks developments in this area and taking proactive steps to mitigate risks arising as a result of any import related policy changes.

We take active measures to hedge ourselves from the foreign exchange fluctuation risk. Quality human capital is an important risk that we seek to mitigate in our retail business. We constantly strive to ensure that our employee policies are at par with the best in class industries.

We expect significant demand for our products and hence require to continuously evolve and improve our operational, financial and internal controls across our Company. Our continued expansion increases the challenges involving integration of new stores, preserving a uniform culture, values and work environment, developing and improving infrastructural, operational, and other internal systems, recruiting, training and retaining sufficient skilled management, project management, human resources and marketing personnel and adhering to health, safety and environmental standards.

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 are closely working at de-risking our business from the vagaries of the housing cycle.

Your Company always strives to mitigate each of the above discussed risks both internal and external risks.

The set controls and defined responsibilities at each level of Management require evaluation of the various existing risks and new expected risks at an early stage and immediate action plan to mitigate such risks.

Further, the authority vested at each Management level ensures implementation and execution of such action plan with minimised risk. It also reviews the developments in socio-economic environment and identifies internal threats and opportunities, updates the framework and refines processes and systems for mitigation.

Internal Controls and their Adequacy.

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

Appropriate internal control policies and procedures are designed to ensure sound management of our Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its

financial information and compliance and have been set up to provide reasonable assurance on:

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

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

Equity Share Capital

The paid-up Equity Share Capital of the Company has increased from 2,46,33,208 Equity Shares to 2,76,33,208 as at March 31, 2020, as a result of issue and allotment of 30,00,000 equity shares to the Promoter Company, Future Corporate Resources Private Limited, post exercise of conversion option at a conversion price of ₹ 106/- on each equity share, by the Promoter of 3,180 Compulsorily Convertible Debentures (CCDs) of ₹ 1,00,000/- each, out of the total 7,500 CCDs issued and allotted under the preferential issue.

Preference Share Capital:

The Preference Share Capital of the Company remains the same as at March 31, 2020 to the extent of 6,30,000 - 9% Non-Cumulative Redeemable Preference Shares of face value of ₹ 100/- each on a proportionate basis, redeemable at the end of 60 months from the date of allotment, i.e. December 8, 2017, which were allotted to the shareholders of BSPL pursuant to the Scheme.

The Company has an option to redeem the Preference Shares at any time after the end of 24 months from the date of allotment. The Company, upon exercising such option or on redemption, will pay the amount of face value of the Preference Shares along with dividend

accrued up to that date, if any. The Company's liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the redemption amount along with dividend, if any.

Key Financial Ratios

Ratios	Financial Year 2019-20	Financial Year 2018-19	% Change
Debtors Turnover	28.85 times	45.35 times	37%
Inventory Turnover	2.35 times	2.10 times	12%
Interest Coverage#	(1.01) times	(7.14) times	86%
Current Ratio	0.69 times	0.83 times	17%
Debt Equity Ratio\$	2.44 times	0.52 times	369%
Operating Profit Margin	37.72%	41.25%	9%
Net Profit Margin#	(11.47%)	(3.93%)	192%
Return on Net Worth#	(93.84%)	(71.15%)	32%

Increase is due to higher losses in the current financial year and Ind AS 116 impact.

\$ Increase is due to Forex loans (Letter of Credit) and ACR facility from Bajaj Finance in Debt portfolio in Current financial year.

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

Viraj Didwania
Chairman & Managing Director
DIN : 02412474

Place: Mumbai
Date : June 29, 2020

BOARD'S REPORT

To
The Members,
Your Directors are pleased to present the Ninth Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2020.

Financial Highlights

The financial performance of the Company is as follows:

Particulars	(₹ in Lakh)	
	Financial Year 2019-20	Financial Year 2018-19
Revenue from Operations	70,277.39	68,280.56
Other Income	95.36	107.40
Total Income	70,372.75	68,387.96
Profit / (Loss) before Depreciation and Amortization Expense & Tax expense	(2,382.46)	(2,568.63)
Less: Depreciation and Amortization expense	5,690.00	41.20
Profit / (Loss) before Tax	(8,072.46)	(2,609.82)
Less: Tax expense	1.37	83.95
Profit / (Loss) after Tax	(8,073.83)	(2693.77)
Other Comprehensive Income for the Year	137.15	15.12
Total Comprehensive Income For The Year	(8,210.98)	(2708.89)
Earnings Per Equity Share of Face Value of ₹ 5/- each		
- Basic (in ₹)	(32.24)	(10.94)
- Diluted (in ₹)	(32.24)	(10.94)

Review of Performance

During the financial year under review, the Company had a total income of ₹ 70,372.75 Lakh. The total expenditure during the year was ₹ 78,445.21 Lakh. The Company has incurred a loss of ₹ 8,073.83 Lakh after tax for the year under review.

Business Outlook

Business outlook has been discussed in detail in Management Discussion and Analysis (MDA) which forms part of the Annual Report.

Information Technology

Having put together an omni-channel data platform in the preceding financial year, the focus of all technological initiatives was on transforming the organization into a data driven decision-making body. This focus resulted in a slew of initiatives –

1. Changing the operational KPIs of the org. to ensure actions based on customer prospect data from physical and online stores;
2. Introduction of gamification/rewards to ensure adoption of CRM solution;
3. Assessment of lost sales;

Owing to the adoption thus garnered, we have been able to follow the customer's journey at the store and online channels right from purchase intent to closure of sales or that of lost sales. This has helped the organization in bringing about a very rich engagement with the prospect wherein the scope of discussion shifts from being generic to specific products in which the customer has shown interest.

In addition, owing to the integrated data platform, there was a huge uptick in customer experience

due to multiple self-service initiatives introduced on hometown.in such as Track Order, Self-Service complaints/requests, etc. The 360 degree view of the customer further enabled a much richer engagement between the customer service team and the customers. This is evident from a fair increase in Net Promoter Score of the organization.

With the motto being a data driven organization, we also introduced a slew of analytical reports covering overall Sales, Merchandise Sales at a category level, comparative analysis of products/brands, supplier analysis, etc. The primary objective is to enable the Category team to make informed decisions by leveraging the concerned reports.

Brand, Customer and Marketing

The HomeTown brand story is about passion for creating beautiful and comfortable homes for our customers, homes that they take pride in and love every moment they spend. And we do so through our brand's four tenets - Thoughtful Design, Lasting Quality, Lifelong Service and Decor Inspirations. Our customers are extremely discerning, have different needs and styles and come to us for trendy, functional and quality products for their home.

Our Marketing efforts is focussed on getting profitable footfalls and traffic in our stores and website respectively. Our strategy is two-pronged:

1. Acquire new customers through brandbuilding and offers;
2. Repeat and retain existing customers through data led insights and personalised targeting. Our CRM framework has been developed through a deep understanding of our customers' purchase behaviours and preferences and is mapped to the customer journey. Segmenting customers basis their behaviour has enabled us to create a unique journey for every customer, thereby allowing us to create personalised messaging and targeting.

As a part of the COVID-19 response strategy, the efforts in the last few months have been towards facilitating omni-channel marketing campaigns and strategic category promotions basis specific consumer needs and requirements.

Human Resource

In 2019-20, Human Resource continued its role as one of the enablers to achieve results for employees by implementing reforms and consolidating its impact across the organization. The organizational culture change is supported by pursuing two priority areas:

- Strategic and targeted acquisition of talent based on competencies, with an aim to enhance the overall quality and diversity.
- Honest and result-focused performance management as a foundation for effective career development.

These priority areas were supplemented by strategic HR business partnering and strong learning agenda in support of the skill and competencies required.

The revised hiring and selection policy streamlined the evidence-based recruitment process and created internal mobility framework to ensure better talent pool at store, region, and store support office. The rise in operations combined with in-demand skill gap created pathways for nurturing and developing 'Apprentices' through National Apprenticeship Program to keep pace with the organization. These apprentices are trained to be deft in skill through constant learning and training. The organization has also initiated diversity and gender inclusion hiring to promote positive employee experiences.

Performance and career management played a key pillar in managing and supporting leadership talent. Crucial to the implementation was HR Connect which promoted employee performance and resolve or prevent conflicts. The recognition of critical roles, nurturing and providing them opportunity continued to create an efficient and effective pipeline to identify talent for senior leadership posts and enhance succession management. Also, to deliver better results, thoughtful and robust New-Hire Training (NHT) was launched.

Finally, the outbreak of corona virus at the end of the fiscal year had everyone on edge. This paved way to new approaches and rapid responses while being committed to our employees' safety and well-being.

Customer Satisfaction

During FY 2019-20, enhanced customer satisfaction and loyalty were visible in a higher Net Promoter Score (NPS) of 85 in the FY 2019-20, and the Average Google rating of HomeTown stores at a high of 4.7 out of 5.0.

Another measure of customer satisfaction "On Time Delivery" stood at 92% in the last quarter of FY 2019-20.

We have automated reverse pickup process in place with substantial improvement in the response time to the customers and introduction of complete tracking in system.

The outbreak of novel coronavirus (COVID-19) has caused an unexpected slowdown of world economy and resulted in temporary closure of most of the physical stores of the Company pursuant to the directions of local and state government bodies imposing a national lockdown which commenced from March 25, 2020 and is still in force in some parts of the Country where as business activity is slowly being resumed in the other parts of the country where lockdown restriction are eased out.

The Company had to suffer lot of glitches in meeting the delivery timelines towards its commitments to its customers, nevertheless we have continued our delivery, assembly and product warranty service visits by following highest safety standards for our employees and customers. We have set up guidelines in order that utmost care is taken in prevention of spread of the pandemic. The well-being of our customers, employees and communities we operate is of paramount importance and the same is being streamlined gradually.

As the business returns to sign of normalcy we are strengthening our position to benefit from the new opportunities that may arise in tough business environment that the world is witnessing right now and endeavoring stronger than ever to cope up with the negative effects of pandemic outbreak of COVID- 19.

We have strengthened our online channels of presence to cater to our customers across the country and

introduced health and safety initiatives across our stores in 28 cities as the lockdown restriction eases. Amidst all our focus lies on enhancing productivity and setting new benchmarks for efficiency while ensuring the best in class customer experience through further technological advancements.

Share Capital

During the year under review equity shares aggregating to 30,00,000 (Thirty Lakh) were allotted to Future Corporate Resources Private Limited (FCRPL) on February 11, 2020 pursuant to exercise of conversion option of 3,180 Compulsorily Convertible Debentures (CCDs) out of 7,500 CCDs originally allotted on December 12, 2019. Pursuant to the aforesaid allotment the paid-up share capital of the Company stands at ₹ 20,11,66,040/- (Rupees Twenty Crore Eleven Lakh Sixty-Six Thousand and Forty only) divided into 2,76,33,208 (Two Crore Seventy - Six Lakh Thirty-Three Thousand Two Hundred and Eight) equity shares of face value of ₹ 5/- each fully paid-up and 6,30,000 (Six Lakh Thirty Thousand) preference shares of ₹ 100/- each fully paid-up.

Pursuant to the aforesaid allotment the shareholding of FCRPL increased from 47.43% to 53.13% and by virtue of that the Company became a subsidiary of FCRPL w.e.f February 11, 2020.

Overview

The same is discussed in detail in Management Discussion and Analysis (MDA) which forms part of this Report.

Dividend and Reserves

The Company has not declared any dividend for the financial year March 31, 2020 and no amount is proposed to be transferred to the reserves.

Investments and Disinvestments

During the year under review, the Company has neither made any investments nor divested any of its investments.

Public Deposits

The Company has not accepted any fixed deposits from the public and/or Members as such, no amount

in the nature of principal or interest on deposits from public and/or Members was outstanding as at March 31, 2020.

Corporate Governance

A Report on Corporate Governance along with a Certificate from Mr. Anant Gude, Practicing Company Secretary regarding the compliance with the conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as "Listing Regulations" forms part of this Annual Report.

Management Discussion and Analysis

The Management Discussion and Analysis as required under Regulation 34 read with Schedule V of the Listing Regulations forms part of this Report.

Auditor and Auditor's Report

Statutory Auditor

Pathak H.D. & Associates LLP (Membership No. 107783W/ W100593) were appointed as the Statutory Auditor of the Company at the Sixth Annual General Meeting held on September 21, 2017 for a period of five years from the conclusion of the Sixth Annual General Meeting till the conclusion of the Eleventh Annual General Meeting of the Company. However, pursuant to the first proviso to Section 139(1) of the Act, their appointment was subject to ratification by the Members at every Annual General Meeting during the said term.

Pursuant to the notification by the Ministry of Corporate Affairs effective from May 7, 2018, the above mentioned proviso was omitted by Companies (Amendment) Act, 2017. Therefore, in light of the said amendment the appointment of Pathak H.D. & Associates LLP as Statutory Auditor continues for the aforesaid term of five years, without seeking any further ratification by the Members of the Company till the conclusion of their tenure and that the Board of Directors shall fix their remuneration for the said period in addition to reimbursement of actual out-of-pocket expenses as may be incurred by them in the performance of their duties.

Further the continued appointment of Pathak H.D. & Associates LLP as the Statutory Auditors of the Company for their remaining tenure without ratification was also approved by the Members of the Company at the Seventh Annual General Meeting of the Company held on September 18, 2018.

The Company has received a written confirmation from the Statutory Auditor that their continued appointment shall be in accordance with the criteria as provided under Section 141 of the Act for financial year 2020-21.

Auditor's Report

The Statutory Auditor of the Company has issued the Auditor's Report on the financial statement of the Company for the financial year ended March 31, 2020 with unmodified opinion and does not contain any qualification, reservation or adverse mark.

Secretarial Auditor

M/s. Anant Gude & Associates, Practicing Company Secretary (Membership No. 7219 / COP No. 18623), was appointed as Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2019-20, as required under Section 204 of the Act and the relevant Rules made thereunder.

The Secretarial Audit Report in prescribed Form MR-3 for the financial year 2019-20 is appended as **Annexure-I** which forms part of this Report. The said Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks. Further pursuant to regulation 24A of the Listing Regulations Annual Secretarial Compliance Report for the year ended March 31, 2020 is also appended with the said Secretarial Audit Report.

Policies & Disclosure Requirements

Your Directors have formulated and approved various statutory policies as applicable under the Act and Listing Regulations for promulgating better governance practices, disclosure and transparency norms. These policies are available on the website of the Company viz; www.praxisretail.in.

Details of programs for familiarization of Independent Directors with the Company, are available on the

website of the Company at the link http://www.praxisretail.in/assets/download/3.Independent_Director_Familiarization_Program_Final.pdf

Policy for determining Material Subsidiaries of the Company is available on the website of the Company at the link http://www.praxisretail.in/assets/download/9.Policy_for_determining_Material_Subsiary.pdf

Policy for determining Materiality of Events of the Company is available on the website of the Company at the link http://www.praxisretail.in/assets/download/8.Policy_for_Determining_Materiality_of_Events_CG.pdf

Policy for archival of documents of the Company is available on the website of the Company at the link http://www.praxisretail.in/assets/download/7.Archival_Policy_Final.pdf

The Code of Conduct for the Board of Directors and Senior Management Personnel of the Company is available on the website of the Company at the link http://www.praxisretail.in/assets/download/1.Code-of-Conduct_for_Directors_and_Senior_Management_Final.pdf

Policy on dealing with Related Party Transactions is available on the website of the Company at the link: http://www.praxisretail.in/assets/download/10.Policy_for_dealing_with_RPTs_Final.pdf

The Remuneration Policy is available on website of the Company at the link: http://www.praxisretail.in/assets/download/4.Remuneration_Policy_Final.pdf

The Company is currently not required to formulate the Dividend Distribution Policy as the criteria prescribed by the Listing Regulations, is not applicable to the Company for the year under review.

The Company has formulated and disseminated a Vigil Mechanism and Whistle-Blower Policy to provide for employees and Directors of the Company to promote responsible and secure whistle blowing mechanism and to provide a channel to the employee(s) and Directors of the Company to report to the Management genuine concerns about unethical behaviour, actual or suspected fraud that could have serious impact on the operations and performance of the business or

violation of the Code of Conduct or Policy(ies) of the Company, as adopted/framed from time to time. The aforesaid Policy is in compliance with the provisions of the Act and Listing Regulations. The aforesaid policy is available on the website of the Company at the link <http://www.praxisretail.in/assets/download/Vigil-Mechanism-and-Whistle-Blower-Policy.pdf>

Directors and Key Managerial Personnel

There was no change in the Directors / Key Managerial Personnel of the Company during the year under review.

In terms of Section 152 of the Act, Mr. Shirang Sarda, Non-Executive Non-Independent Director is liable to retire by rotation and being eligible, offers himself for re-appointment.

The Company has received necessary disclosure and confirmation from concerned Director(s) in connection with their appointment / re-appointment. Additional information on appointment / re-appointment of Directors as required under Regulation 36 of the Listing Regulations and Secretarial Standards-2, is given in the Notice convening the Ninth Annual General Meeting of the Company.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulations 16 (1)(b) and 25 of the Listing Regulations. The Board was satisfied with the integrity, expertise and experience including proficiency of the Independent Directors of the Company.

Committees of the Board of Directors

Your Board has constituted various committees as required under the Act and the Listing Regulations. Details of Committees of the Board of Directors along with their terms of reference, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this Annual Report.

Number of Meetings of the Board

During the year under review (6) six meetings of the Board of Directors were held, details of which are given

in the Corporate Governance Report which forms part of this Annual Report.

Subsidiary, Joint Venture, Holding Company and Associate Companies

During the year under review, "PHRL International Pte Ltd" Wholly Owned Subsidiary (WOS) of the Company incorporated in Singapore was closed in accordance with laws of Singapore. The Company had not made any investment in the aforesaid WOS and as such the closure of same has not resulted in disinvestment of the same.

Further allotment of 30,00,000 (Thirty Lakh) equity shares of the Company to Future Corporate Resources Private Limited (FCRPL) on exercise of conversion option of 3,180 Compulsorily Convertible Debentures (CCDs) out of 7,500 CCDs originally allotted on December 12, 2019 has resulted in an increase in shareholding of FCRPL from 47.43% to 53.13% and by virtue of that the Company became a subsidiary of FCRPL w.e.f 11th February, 2020.

Apart from the aforesaid, the Company does not have any other holding, subsidiary or joint venture or associate company as on year end.

Indian Accounting Standards ("IND AS")

The Company has adopted Indian Accounting Standards ("IND AS") with effect from April 01, 2017. Accordingly, the Financial Statement for the year 2019-20 have been prepared in accordance with IND AS, prescribed under Section 133 of the Act, read with the relevant rules issued thereunder and the other recognised accounting practices and policies to the extent applicable.

Performance Evaluation of Board

Pursuant to Section 178 of the Act and Regulation 19 of the Listing Regulations, Nomination and Remuneration Committee of the Company (NRC), has formulated criteria for evaluation of performance of Independent Directors and the Board of Directors.

Accordingly, the Board has carried out an annual evaluation of its own performance, its Committees and the individual Directors.

Structured evaluation templates as approved by the NRC, were used for evaluating the performance of the Board, its Committees and the Directors on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board except the Independent Director being evaluated. The performance evaluation of the Chairman and Non-Independent Director(s) was carried out by the whole Board except the Director being evaluated. At the Meeting of the Board all the relevant factors that are material for evaluating the performance of the Board, its Committees and that of the individual Directors were discussed in detail.

The Board of Directors expressed their satisfaction with the evaluation process and the performance of the Board, its Committees and Individual Directors.

Employee Stock Option Plan

The Members of the Company had passed Special Resolution at the Seventh Annual General Meeting of the Company held on September 18, 2018 and approved the Praxis Home Retail Limited Share Value Appreciation Rights, Plan - 2018 - ("Praxis SVAR Plan - 2018" / "Plan") as further amended by the Members of the Company at the Eighth Annual General Meeting held on September 21, 2019 have authorized the Board to create, offer and grant to the Employees of the Company and its Subsidiaries (if any in future), 9,75,000 (Nine Lakh Seventy-Five Thousand) Employee Stock Options / Stock Appreciation Rights under Praxis SVAR Plan - 2018 exercisable into not exceeding 9,75,000 (Nine Lakh Seventy-Five Thousand) fully paid-up equity shares of the Company, in aggregate, of face value of ₹ 5/- (Rupees Five) each, either directly by the Company or through an Employee Welfare Trust to be set-up by the Company, by way of primary issue or secondary acquisition, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Nomination and Remuneration Committee.

Pursuant to the applicable provisions of the Act and the Securities and Exchange Board of India (Share

Based Employee Benefits) Regulations, 2014 (“**SBEB Regulations**”), the Company had set up ‘Praxis Home Retail Limited Employees’ Welfare Trust’ (“**Trust**”) for implementation of the said Plan. The applicable disclosures as stipulated under SBEB Regulations as on March 31, 2020 with regard to the Praxis SVAR Plan – 2018 are provided in **Annexure – II** to this Report.

Policy on Directors’ Appointment and Remuneration

The Company’s policy on Directors’ appointment and remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the Corporate Governance Report, which forms part of this Annual Report. The same is available on the website of the Company at the link http://www.praxisretail.in/assets/download/4.Remuneration_Policy_Final.pdf

Further pursuant to the Companies (Appointment and Qualification of Directors) fifth amendment Rules, 2020 (the Rules) mandating establishment of an on-line database of Independent Directors by Indian Institute of Corporate Affairs, every Independent Director, shall pass an online proficiency self-assessment test conducted by said Institute. However, exemption has been granted to an individual who has served for a period of at least 10 years as on the date of inclusion of his name in the databank, as director or key managerial personnel in a listed public company or in an unlisted public company having a paid-up share capital of ₹ 10 crores or more. The Independent Directors of the Company, who do not have this exemption, shall ensure clearance of online proficiency self assessment test within the stipulated time frame.

Further, all the Independent Directors of the Company confirmed the inclusion of their names in the Independent Directors’ data bank created and maintained by Indian Institute of Corporate Affairs within stipulated time frame, as mandated by the said rules.

Risk Management and Internal Financial Control

The Company has a robust risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of various risks associated with the business of the Company.

The Audit Committee has been entrusted by the Board with the primary responsibility to monitor and review risk management, assessment and minimization procedures and to develop, implement and monitor the risk management plan and identify, review and mitigate all elements of risks which the Company may be exposed to. Further, the Audit Committee has delegated the Internal Auditors with the role of risk management, assessment and minimization procedures and also periodically reviews with them the existing procedures and measures to improvise the same.

The Company has in place adequate internal financial controls with reference to financial statements. Key risks and threats to the Company and internal controls and their adequacy are analyzed in the Management Discussion and Analysis, which forms part of this Report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

Further pursuant to Section 4(2) of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, (**’POSH Act’**) the Company has in place the Internal Complaints Committee for providing a mechanism to report any complaint against sexual harassment and redressal of the same.

During the year under review, (2) two complaints were filed pursuant to the POSH Act and the same was redressed with appropriate measures.

Corporate Social Responsibility Statement

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

The composition and terms of reference of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the year under review, the Company was not required to spend any amount on CSR activities, since the Company does not fall into the criteria specified in Section 135 of the Act. The disclosures as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is annexed to this Report as **Annexure-III**.

Particulars of Loans, Guarantees and Investments

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

Particulars of Contracts or Arrangements with Related Parties

During the year under review, all transactions entered into by the Company with Related Parties as defined under the Act and the Listing Regulations, were in the ordinary course of business and on an arm's length basis. The disclosure of Related Party transactions as required under Section 134 (3) (h) of the Act, in Form AOC-2 is given in **Annexure-IV** to this Report.

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

Directors' Responsibility Statement

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

- i. in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the financial year ended March 31, 2020;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts for the financial year ended March 31, 2020 on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Audit Committee

The Audit Committee of the Company comprises of Mr. Shantanu Shah, Independent Director as Chairperson of the Committee, Ms. Sridevi Badiga, Independent Director, Mr. S. Subramanian, Independent Director, Mr. Pankaj Bhargava, Independent Director and Mr. Viraj Didwania, Chairman & Managing Director, as Members of the Committee. There were no instances where the Board did not accept the recommendations of the Audit Committee. The terms of reference, powers and roles of the Committee are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

Cost Records

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

Particulars of Employees

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

In accordance with the relaxation provided by the Ministry of Corporate Affairs vide its General Circular No. 20/2020 dated May 5, 2020 and by SEBI vide its Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, in view of COVID-19 Pandemic the requirement for sending out physical copies of the Annual Report and the Notice convening the Annual General Meeting has been dispensed with for this calendar year i.e till December 31, 2020, hence this Annual Report is being sent to the shareholders via electronic means including the information pursuant to Section 197 of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However the same is not included in the physical copies of the Annual Report in accordance with the provisions of second proviso to Section 136(1) of the Act. Annual report for the financial year 2019-20 including the aforesaid information is also available on the website of the Company www.praxisretail.in

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo etc.

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

Extract of Annual Return

In accordance with Section 134(3)(a) of the Act, an extract of Annual Return in the prescribed Form MGT-9 is appended as **Annexure-VII** which forms part of this Report.

In accordance with Section 92(3) of the Act, a copy of the Annual Return for the financial year ended March 31, 2020 is available on the website of the Company at <https://www.praxisretail.in/annual-reports.html>

Significant and Material Orders

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

Regulation 39(4) of the Listing Regulations - Unclaimed Suspense Account

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

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

Secretarial Standards

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

Material Changes and Commitments

There were no material changes that have taken place that could have an impact on the financial position of the Company from the date of closure of financial year under review till the date of signing of this Report.

However as already mentioned above about the pandemic outbreak of COVID-19, the Company has submitted the impact of the same on business activities of the Company along with the financial results of the Company for the financial year ended March 31, 2020.

Acknowledgement

Your Board of Directors would like to thank and place on record their appreciation for the continued support, firm confidence professed on us and co-operation provided to the Company by its partners viz; shareholders, customers, employees, suppliers, other business associates, bankers, regulatory authorities and all other stakeholders.

The Board also expresses sincere condolence for the loss of lives due to COVID-19 pandemic and places on record the appreciation for every individual who risked their life and safety to fight this pandemic.

For and on behalf of the Board of Directors

Place: Mumbai
Date : June 29, 2020

Viraj Didwania
Chairman & Managing Director
DIN : 02412474

ANNEXURE – I

Form No. MR-3 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,

The Members,

Praxis Home Retail Limited

Mumbai.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Praxis Home Retail Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company in digital mode and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on March 31, 2020, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 and / or the Companies Act, 1956 to the extent applicable (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – (Not Applicable to the Company during the Audit Period);
 - (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015;
 - (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (g) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended March 31, 2020:-
- (a) Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
 - (b) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

Based on the representation given by the Management of the Company, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates.

I have also examined compliance with the applicable clauses of the Secretarial Standards with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India.

During the year under review, upon conversion of 3180 Compulsorily Convertible Debentures (out of total 7500 Compulsorily Convertible Debentures) of Rs.1,00,000/- each, the Company has issued and allotted 3000000 fully paid-up Equity Shares of Rs. 5/- each to one of the Promoters of the Company, as a result, the Equity Share Capital of the Company has increased from Rs. 12,31,66,040/- divided into 24633208 Equity Shares to Rs.13,81,66,040 divided into 27633208 Equity Shares of the Company.

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

I have to report that due to prevailing conditions of COVID-19 in the Country, I have not carried out the physical inspection of any records maintained by the Company. I have relied upon the records in digital mode as made available by the Company and also on the Management Representation Letter issued by the Company.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors; however changes in some of the Board Committees that took place during the year under review, were carried out in compliance with the provisions of the Act.

I further report that as per the information provided by the Company, the Company has given adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

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

For **Anant Gude & Associates,**

Anant Gude

Practicing Company Secretary

Proprietor

UDIN : A007219B000365907

Place: Mumbai

Date : 22-Jun-2020

Annexure I to Secretarial Audit Report

To,

The Members

Praxis Home Retail Limited

Mumbai

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

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

For **Anant Gude & Associates,**

Anant Gude

Practicing Company Secretary

Proprietor

Place : Mumbai

Date : 22-Jun-2020

Secretarial Compliance Report for the year ended March 31, 2020

I, Anant Gude, Practicing Company Secretary have examined:

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

For the year ended March 31, 2020 ("Review Period") in respect of compliance with the provisions of:

- (a) Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) Securities Contract (Regulations) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI").

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (f) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) (Amendment) Regulations, 2018;
- (g) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars / guidelines issued thereunder;

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

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

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

Sr. No.	Compliance Requirement (Regulations / Circulars / Guidelines including Specific Clause)	Deviations	Observations / Remarks of the Practicing Company Secretary
	NIL	NIL	NIL

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder in so far as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the standard operating procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars /guidelines issued thereunder:

Sr. No.	Action Taken By	Details of Violations	Details of Action Taken e.g. Fines, Warning Letters, Debarment etc.	Observations / Remarks of the Practicing Company Secretary, if any
	NIL	NIL	NIL	NIL

We have to report that due to prevailing conditions of COVID-19 in the Country, we could not carry out the physical inspection of the records maintained by the Company. We have relied upon the records in digital mode as made available by the Company and also on the Management Representation Letter issued by the Company.

The listed entity has taken the following actions to comply with the observations made in previous reports: Not Applicable since there was no a observation in previous report i.e for FY 2018-19.

For Anant Gude & Associates

Anant Gude

Practicing Company Secretary

Proprietor

ACS No. 7219 / CP No. 18623

Place: Mumbai, Dated: 22-Jun-2020

UDIN: A007219B000365951

ANNEXURE - II

Praxis Home Retail Limited Share Value Appreciation Rights, Plan – 2018 (Praxis SVAR Plan- 2018) of the Company as at March 31, 2020

To encourage ownership of Company's equity by its employees on an ongoing basis and also in order to reward the employees for their contribution to the successful operation of the Company and to provide an incentive to continue contributing to the success of the Company, it was proposed to create, grant and offer Options / Stock Appreciation Rights (SARs) to the Eligible Employees of the Company under Praxis Home Retail Limited Share Value Appreciation Rights, Plan – 2018 (Praxis SVAR Plan- 2018) as recommended by the People Office.

Sl. No.	Particulars	Praxis SVAR Plan- 2018
A.	Disclosures in terms of the Guidance note on accounting for employee share based payments issued by ICAI or any other relevant accounting standards as prescribed from time to time	Refer Note No. 30 in Notes to Financial Statements
B.	Diluted Earnings Per Share (EPS) on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Accounting Standard 20 – Earnings Per Share issued by ICAI or any other relevant accounting standards as prescribed from time to time	Refer Note No. 31 in Notes to Financial Statements

C. Description of ESOS that existed at any time during the year including the general terms and conditions

I.	Date of Shareholders' approval	The Shareholders of the Company had passed Special Resolution at the Seventh Annual General Meeting of the Company held on September 18, 2018 and had authorized the Board to create, offer and grant to the Employees of the Company, 9,75,000 (Nine Lakh Seventy-Five Thousand) Employee Stock Options / Stock Appreciation Rights under Praxis SVAR Plan - 2018 exercisable into not exceeding 9,75,000 (Nine Lakh Seventy-Five Thousand) fully paid-up equity shares of the Company, in aggregate, of face value of ₹ 5/- (Rupees Five) each, either directly by the Company or through an Employee Welfare Trust to be set-up by the Company, by way of primary issue or secondary acquisition, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Nomination & Remuneration Committee in accordance with the provisions of this Praxis SVAR Plan - 2018, SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB Regulations) and in due compliance with other applicable laws and regulations.
II.	Total number of options approved under Praxis SVAR Plan- 2018	9,75,000 (Nine Lakh Seventy-Five Thousand) Equity Shares of face value of ₹ 5/- each fully paid-up
III.	Vesting Requirements	Options granted under Praxis SVAR Plan- 2018 plan would vest not less than 1 year and not more than 5 years from the Date of Grant of such options.

IV.	Exercise price or pricing formula	The Exercise Price per Option shall not be less than face value of equity share and shall not exceed Market Price of the equity share of the Company as on the Date of Grant of Options which may be decided by the Nomination & Remuneration Committee. Exercise price for Options granted during the previous financial year 2018-19 was ₹ 176 /-
V.	Maximum term of options granted	5 years from the date of respective vesting
VI.	Source of shares (primary, secondary or combination)	Combination
VII.	Variation in terms of options	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.
VIII.	Method used to account for ESOS	Black Scholes Method

D. The stock-based compensation cost was calculated as per the Black Scholes method, the total cost to be recognised in the financial statements for the year 2019-20 would be :

₹ 1,10,39,346 for Options granted with a vesting period of not less than 1 (one) year and not more than (3) Three years and ₹ 40,41,183 for Options granted with a vesting period of not less than 1 year and not more than (5) Five years, from the Date of Grant aggregating to total cost ₹ 1,50,80,529/-.

E. Option movement during the year ended on March 31, 2020

Sl. No.	Particulars	Details	
		Grant - I*	Grant - II^
I.	Number of options outstanding at the beginning of the year	3,07,500	1,59,000
II.	Number of options granted during the year	NIL	NIL
II.	Number of options forfeited / Cancelled /lapsed during the year	59,500	44,250
IV.	Number of options vested during the year	99,200	17,212
V.	Number of options exercised during the year	NIL	NIL
VI.	Number of shares arising as a result of exercise of options	NA	NA
VII.	Exercise Price (in ₹ per Option)	NA	NA

VIII.	Money realized by exercise of options, if scheme is implemented directly by the Company (in ₹)	NA	NA
IX.	Loan repaid by the Trust during the year from exercise price received	NA	NA
X.	Total number of options outstanding (in force) at the end of the year	2,48,000	1,14,750
XI.	Number of options exercisable at the end of the year	99,200	17,212

F. Weighted average Share Price of options granted during the year :

The Company has not granted any options during the year under review. However, the details pertaining to the options granted during the previous financial year 2018-19 are as follows:

		Grant – I*	Grant – II^
		Grant on March 27, 2019	Grant on March 27, 2019
I.	Exercise price equals market price (₹)	176.00	176.00
II.	Exercise price is greater than market price (₹)	-	-
III.	Exercise price is less than market price (₹)	-	-

Weighted average Exercise Price of options granted during the previous financial year 2018-19 whose :

		Grant – I*	Grant – II^
		Grant on March 27, 2019	Grant on March 27, 2019
I.	Exercise price equals market price (₹)	176.00	176.00
II.	Exercise price is greater than market price (₹)	-	-
III.	Exercise price is less than market price (₹)	-	-

Weighted average Fair Value of options (Black Scholes Method) granted during the previous financial year 2018-19 whose :

		Grant – I*	Grant – II^
		Grant on March 27, 2019	Grant on March 27, 2019
I.	Exercise price equals market price (₹)	67.38	88.40
II.	Exercise price is greater than market price (₹)	-	-
III.	Exercise price is less than market price (₹)	-	-

G. Employee-wise details of options granted during the year on March 31, 2020

I.	Senior Managerial Personnel None - No fresh options were granted during the year ended March 31, 2020.
II.	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year None - No fresh options were granted during the year ended March 31, 2020.
III.	Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grants:- None - No fresh options were granted during the year ended March 31, 2020.

H. Method and Assumptions used to estimate the fair value of options granted during the year

The Company has not granted any options during the year under review. However, the details pertaining to the options granted during the previous financial year 2018-19 are as follows:

The fair value has been calculated using the Black Scholes Option Pricing model.

The Assumptions used in the model are as follows:

Date	Grant - I*	Grant - II^
	Grant on March 27, 2019	Grant on March 27, 2019
Risk Free Interest Rate	6.83%	7.12%
Expected Life	3.3 years	5.85 years
Expected Volatility	46.10%	46.10%
Dividend	0	0
Price of underlying shares in the market at the time of Option grant (₹)	176	176
Stock Price	The valuation has been done using the share price of ₹ 176/-, which is the closing price on NSE on the date immediately prior to the Date of Grant.	
Volatility	Volatility was calculated using standard deviation of daily change in stock price	
Risk-free rate of return	Zero coupon sovereign bond yields as on March 27, 2019 was utilized with maturity equal to expected term of the Option	
Exercise Price (₹)	176/-	
Expected Option Life	The expected Option life is assumed to be approximately half way between the Option vesting period and contractual term of the Option. Since the vesting period and contractual term is different, the expected life of the Option will be different. The expected Option life is calculated as $\text{Year to Vesting} + (\text{Contractual Option Term}) / 2$	
Expected Dividend Yield	0	

(*) **Grant - I** refers to Options Granted under Praxis SVAR Plan- 2018 which would vest not less than 1 year and not more than 3 years from the Date of Grant of such options.

(^)**Grant - II** refers to Options Granted under Praxis SVAR Plan- 2018 which would vest not less than 1 year and not more than 5 years from the Date of Grant of such options.

I. Details Related to Stock Appreciation Rights (SARs):

During the year under review, no SARs were granted to the employees of the Company, however details related to SARs under the Praxis SVAR Plan – 2018 is given below:

I.	Date of Shareholders' approval	The Shareholders passed Special Resolution at the Seventh Annual General Meeting of the Company held on September 18, 2018 and have authorized the Board to create, offer and grant to the Employees of the Company, 9,75,000 (Nine Lakh Seventy-Five Thousand) Employee Stock Options / Stock Appreciation Rights under Praxis SVAR Plan - 2018 exercisable into not exceeding 9,75,000 (Nine Lakh Seventy-Five Thousand) fully paid-up equity shares of the Company, in aggregate, of face value of ₹ 5/- (Rupees Five) each, either directly by the Company or through an Employee Welfare Trust to be set-up by the Company, by way of primary issue or secondary acquisition, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Nomination and Remuneration Committee in accordance with the provisions of this Praxis SVAR Plan – 2018, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.
II.	Total number of Shares approved under Praxis SVAR Plan – 2018	9,75,000 (Nine Lakh Seventy-Five Thousand only) Equity Shares of face value of ₹ 5/- each fully paid-up
III.	Vesting Requirements	SARs granted under Praxis SVAR Plan- 2018 plan would vest not less than 1 year and not more than 5 years from the Date of Grant of such SARs.
IV.	SAR price or pricing formula	SAR price shall be determined by the Nomination and Remuneration Committee and shall not be less than face value of equity share and shall not exceed Market Price of the equity share of the Company as on Date of Grant of SARs.
V.	Maximum term of SAR granted	5 years from the date of respective vesting
VI.	Choice of settlement	Combination
VII.	Sources of Shares	Combination
VIII.	Variation in terms of Scheme	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.

J. During the year under review, no SARs were granted to the employees of the Company, hence the stock-based employee compensation cost to be recognised in the financial statements in case of SARs for the year 2019-20 would be Nil.

K. SAR movement during the year ended on March 31, 2020: Not Applicable

Sl. No.	Particulars	Details
I.	Number of SARs outstanding at the beginning of the year	Nil
II.	Number of SARs granted during the year	Nil
III.	Number of SARs forfeited / Cancelled /lapsed during the year	NA
IV.	Number of SARs vested during the year	NA
V.	Number of SARs exercised / settled during the year	NA
VI.	Number of SARs outstanding at the end of the year	NA
VII.	Number of SARs exercisable at the end of the year	NA
VI.	Number of SARs exercisable at the end of the year	NA

L. Employee-wise details of SAR granted during the year on March 31, 2020: Not Applicable

I.	Senior Managerial Personnel :	-
II.	Employees who were granted, during any one year, SARs amounting to 5% or more of SAR granted during the year	-
III.	Identified employees who were granted SARs, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grants:-	-

Details of Company's Employees' Welfare Trust:

The details inter-alia, in connection with transactions made by the trust meant for the purpose of administering the Praxis Home Retail Limited Share Value Appreciation Rights, Plan - 2018 (Praxis SVAR Plan- 2018) are as under:

i. General Information of the Trust

Name of the Trust	Praxis Home Retail Limited Employees' Welfare Trust
Details of the Trustee	Beacon Trusteeship Limited
Amount of loan disbursed by the Company / any Company in the group, during the year	NIL
Amount of loan outstanding (repayable to Company / any Company in the group) as at the end of the year	NIL
Amount of loan, if any, taken from any other source of which Company / any Company in the group has provided any security or guarantee	NIL
Any other contribution made to the Trust during the year	NIL

ii. Brief details of the transaction in shares by the Trust : None

iii. In case of secondary acquisition of shares by the Trust : None

For & on behalf of the Board of Directors of
PRAXIS HOME RETAIL LIMITED

Viraj Didwania

Chairman & Managing Director

DIN: 02412474

Place: Mumbai

Date: June 29, 2020

ANNEXURE – III

Annual Report on Corporate Social Responsibility (“CSR”) Activities

Pursuant to clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

A brief outline of the Company’s CSR Policy:

1	A brief outline of the Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The CSR Policy of the Company inter-alia includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013 (‘the Act’). CSR Policy of the Company is available on the website of the Company at the link: http://www.praxisretail.in/assets/download/6.CSR_Policy.pdf
2	The Composition of the CSR Committee	The CSR Committee as on March 31, 2020 comprises of: <ul style="list-style-type: none"> • Mr. Viraj Didwania - Chairperson • Mr. Pankaj Bhargava - Member • Mr. Shantanu Shah - Member • Mr. S. Subramanian - Member
3	Average net profit/loss of the Company for last three financial years/periods.	Loss of ₹ 1636.34 Lakh
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Not Applicable
5	Details of CSR spent during the financial year 2019-20:	
	a. Total amount to be spent for the financial year 2019-20	Nil
	b. Amount unspent, if any;	Not Applicable
	c. Manner in which the amount spent during the financial year 2019-20	Not Applicable

Manner in which the CSR amount spent during the financial year 2019-20

SR. No.	CSR project or activity identified.	Sector in which the project is covered	Projects or programs Local area or other Specify the State and district where projects or programs were undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: Direct Expenditure on projects or Programs Overheads:	Cumulative Expenditure up to the Reporting period	Amount spent direct or through implementing agency.
NOT APPLICABLE							
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.				Not Applicable, since the Company has incurred Average Net Loss for the last three financial years.		
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.				Not Applicable		

Pankaj Bhargava

Independent Director

Member - CSR Committee

DIN : 02685275

Viraj Didwania

Chairman & Managing Director

Chairperson - CSR Committee

DIN : 02412474

Place: Mumbai

Date : June 29, 2020

ANNEXURE – IV

FORM NO. AOC - 2

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

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

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

There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis.

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

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2020 are as follows:

Name of the Related Parties	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (₹ in Lakh) #	Approvals	Amount paid as advances if any
Future Supply Chain Limited ("FSC")	Enterprise which have significant influence	Transportation, CIF and Warehousing services	-	8,044.05	These transactions have been approved by the shareholders of the Company at its Eighth Annual General Meeting held on September 21, 2019. Necessary approvals of the Audit Committee and Board of Directors have been obtained by the Company.	Refer note below

Name of the Related Parties	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (₹ in Lakh) #	Approvals	Amount paid as advances if any
Future Corporate Resources Private Limited	Holding Company	Availment of Inter-Corporate Deposit	-	7,500.00	These transactions have been approved by the shareholders of the Company at the Extraordinary General Meeting held on October 30, 2019. Necessary approvals of the Audit Committee and Board of Directors have been obtained by the Company.	Refer note below
		Repayment of Inter-Corporate Deposit	-	7,500.00		
		Issue of Compulsory Convertible Debenture (CCDs)	The CCDs shall be fully converted into equity shares of the Company not later than 18 months from the date of allotment of CCDs being December 12, 2019	7,500.00		

Note:

Limit as sanctioned / approved by the Audit Committee, Board of Directors and Shareholders of the Company. Advances in respect of related transactions being adjusted against billings/invoices.

For & on behalf of the Board of Directors of
PRAXIS HOME RETAIL LIMITED

Viraj Didwania

Chairman & Managing Director

DIN: 02412474

Place: Mumbai

Date: June 29, 2020

ANNEXURE – V

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2019-20 are as under:

Name of Director / KMP and Designation	Remuneration of Director/KMP for Financial Year 2019-20 (₹ in Lakh) (1)	% increase in Remuneration in the Financial Year 2019-20 (2)	Ratio of Remuneration of each Director/KMP to MRE for Financial Year 2019-20 (3=(1) / MRE)
Mr. Viraj Didwania Chairman & Managing Director	171.29	-	66.07
Mr. Shrirang Sarda *	-	-	-
Mr. Pankaj Bhargava *	-	-	-
Mr. Shantanu Shah *	-	-	-
Mr. S. Subramanian *	-	-	-
Ms. Sridevi Badiga*	-	-	-
Mr. Anil Chandak [^] Chief Financial Officer	70.19	Refer Note 1	27.07
Ms. Smita Chowdhury Company Secretary & Compliance Officer	11.92	7.24	4.60

Note:

- ([^]) The remuneration paid to Mr. Anil Chandak, Chief Financial Officer (CFO) and the Key Managerial Personnel of the Company for financial year 2019-20 is not comparable with the remuneration paid for previous financial year 2018-19 as the remuneration for previous financial year was paid for the period from February 19, 2019 (date of appointment as CFO) to March 31, 2019.
- (*) Non-Executive Non-Independent Director and Independent Directors were not paid any remuneration apart from the sitting fees, the details of which is given in **Annexure VII- MGT-9** to the Board's Report.

- II. The Median Remuneration of Employees (MRE) of the Company during the year was ₹ 2,59,266 and for the previous year it was ₹ 2,34,342/-.
- III. The increase in MRE in the financial year 2019-20 compared to financial year 2018-19 was 10.64%.
- IV. There were 2036 permanent Employees on the rolls of the Company as on March 31, 2020.
- V. The average percentage increase made in salaries of employees other than the managerial personnel in the financial year 2019-20 was 8%-10%. Further there was no increment in the remuneration drawn by Chairman & Managing Director of the Company for financial year 2019-20. The remuneration of Chairman & Managing Director is decided based on the individual performance, inflation, prevailing industrial trends and benchmarks.
- VI. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

For & on behalf of the Board of Directors of
PRAXIS HOME RETAIL LIMITED

Viraj Didwania

Chairman & Managing Director

DIN: 02412474

Place: Mumbai

Date: June 29, 2020

ANNEXURE – VI

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo Etc:

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

(A) Conservation of Energy:

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

(B) Technology Absorption:

(i) The efforts made towards technology absorption	<p>In the year under review, the IT strategy has the following premise:</p> <ol style="list-style-type: none"> 1. Institutionalize the adoption of CRM platform and improve conversion of leads into sale of furniture 2. Improve customer experience of online customers and customers reaching out to Customer Support by leveraging the 360 degree view of the customer 3. Expand the scope of the CRM platform for the Modular Kitchen segment 4. Leverage our online channels for growth - hometown.in and other marketplaces 5. Automate backend analytics and thereby aid efficiency <p>Keeping the above in consideration, the Company revamped its operational KPIs and introduced competition amongst store teams for adoption of Salesforce. The end-result was an increase in conversion of Furniture despite de-growth in footfalls.</p> <p>We also launched the Service Cloud module of Salesforce and thereby built an end-to-end platform to analyze customer information. The concerned implementation aided in integrating sales, service and customer feedback from all our channels, be it stores or online. This resulted in reducing the call-flow by 30% and average customer talk-time by 40%.</p> <p>With an aim to assimilate the customer information from hometown.in over Salesforce, the current Cart details was converted into an omni-channel cart with an option to complete the purchase on hometown.in or in the store. We also introduced self-service for order tracking and raising customer complaints/requests on the web which in turn is seamlessly integrated with underlying the Salesforce platform.</p>
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	<p>To expand the merchandise presence on hometown.in, the year under review also saw hometown.in becoming an internal marketplace for hometown.in Home offerings. This helped in introducing luggage and electronics – small appliances as merchandise offerings on hometown.in.</p> <p>To improve efficiency in product/sales analysis, we automated many KPI reports on our data-warehouse solution. Some of the key ones being automating the sales report, automating the assessment of sales by product category, brands, country of origin, etc.</p>
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	<ol style="list-style-type: none"> Increase in conversion of leads generated into sale of furniture despite de-growth in footfalls. Overall reduction in time in servicing the customers with increase in efficiency Automation of various business reports
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Not Applicable
(a) the details of technology imported;	
(b) the year of import;	
(c) whether the technology been fully absorbed;	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	
(iv) the expenditure incurred on Research and Development.	Nil

(C) Foreign exchange earnings and Outgo:

Particulars	₹ in Lakh	
	2019-20	2018-19
Total Foreign Exchange Used	13,435.35	6,135.92
Total Foreign Exchange Earned	Nil	Nil

For & on behalf of the Board of Directors of
PRAXIS HOME RETAIL LIMITED

Viraj Didwania

Chairman & Managing Director

DIN: 02412474

Place: Mumbai

Date: June 29, 2020

ANNEXURE – VII

Form No. MGT-9

Extract of Annual Return as on the Financial Year ended March 31, 2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L52100MH2011PLC212866
ii.	Registration Date	January 31, 2011
iii.	Name of the Company	Praxis Home Retail Limited
iv.	Category/Sub-Category of the Company	Non-Govt. Public Company Limited by shares
v.	Address of the Registered office and contact details	iThink Techno Campus, Jolly Board Tower-D, Ground Floor, Kanjur Marg (East), Mumbai - 400042. Tel.: +91 22 7106 8031 Fax: +91 22 7106 8032 Email-Id: investorrelations@praxisretail.in Website: www.praxisretail.in
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, Embassy 247, L B S Marg, Vikhroli (West), Mumbai - 400083. Tel.: +91 22 4918 6000 Fax: +91 22 4918 6060 Email-Id: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Products/Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1	Retail - Household furniture and Home décor, electrical household appliances, lighting equipments, miscellaneous household utensils, cutlery, crockery, glassware, china and pottery and other household articles.	47 (Retail Trade, except of motor vehicles and motorcycles)	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Future Corporate Resources Private Limited Knowledge House, Shyam Nagar, Jogeshwar Link Road, Jogeshwari (East) Mumbai MH 400060 IN	U74140MH2007PTC175603	Holding	53.13	2(46)
2	PHRL International Pte. Ltd.* 20 Maxwell Road, #09-17, Maxwell House, Singapore - 069113.	201843082W	Refer Note	—	—

Note*: During the previous financial year 2018-19, the Company had incorporated “PHRL International Pte Ltd” in Singapore and agreed to make investments therein to make it a “Wholly Owned Subsidiary (WOS)” of the Company. However due to infeasibility, the same was closed on October 7, 2019 in accordance with the laws of Singapore. The Company had not made any investments in the said entity and hence the said closure did not result into any foreign disinvestment.

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

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoter										
1) Indian										
a) Individual/ Hindu Undivided Family	1,14,405	-	1,14,405	0.46	1,74,754	-	1,74,754	0.63	0.17	
b) Central Government	-	-	-	-	-	-	-	-	-	
c) State Government(s)	-	-	-	-	-	-	-	-	-	

Category of Shareholders		No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d)	Bodies Corporate	1,38,86,851	-	1,38,86,851	56.37	1,68,86,851	-	1,68,86,851	61.11	4.74
e)	Banks / Financial Institution	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A) (1):-		1,40,01,256	-	1,40,01,256	56.84	1,70,61,605	-	1,70,61,605	61.74	4.90
2) Foreign										
g)	Non-Resident Indians-Individuals	-	-	-	-	-	-	-	-	-
h)	Other-Individuals	-	-	-	-	-	-	-	-	-
i)	Bodies Corporate	-	-	-	-	-	-	-	-	-
j)	Banks / Financial Institution	-	-	-	-	-	-	-	-	-
k)	Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A) (2):-		0	0	0	0.00	0	0	0	0	0.00
Sub-total (A)=(A)(1)+(A) (2)		1,40,01,256	-	1,40,01,256	56.84	1,70,61,605	-	1,70,61,605	61.74	4.90

B. Public Shareholding

1. Institutions

a)	Mutual Funds	2,70,027	-	2,70,027	1.10	2,70,027	-	2,70,027	0.98	(0.12)
b)	Banks / Financial Institution	2,31,675	-	2,31,675	0.94	1,83,518	-	1,83,518	0.66	(0.28)
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-

Category of Shareholders		No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Alternate Investment Funds	4,69,221	-	4,69,221	1.90	6,31,610	-	6,31,610	2.29	0.39
g)	Insurance Companies	20	-	20	0.00	20	-	20	0.00	0.00
h)	Foreign Institutional Investors including Foreign Portfolio Investors	12,06,016	-	12,06,016	4.90	12,20,313	-	12,20,313	4.42	(0.48)
i)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j)	Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)		21,76,959	-	21,76,959	8.84	23,05,488	-	23,05,488	8.34	(0.50)
2. Non-Institutions										
a) Bodies Corporate										
	(i) Indian	51,20,899	173	51,21,072	20.79	49,45,180	118	49,45,298	17.90	(2.89)
	(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals:										
	(i) Individual share-holders holding nominal share capital upto ₹ 1 Lakh	18,26,930	50,016	18,76,946	7.62	19,22,640	48,631	19,71,271	7.13	(0.50)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	9,58,338	-	9,58,338	3.90	9,08,363	-	9,08,363	3.29	(0.61)	
c) NBFCs registered with RBI	10,000	-	10,000	0.04	0	-	0	0.00	(0.04)	
(C) Any Others:										
1 Non-Resident Indians (Non-Repatriation)/FPI	1,58,570	110	1,58,680	0.64	1,75,801	110	1,75,911	0.64	0.00	
2 Directors & Relatives	1,050	-	1,050	0.00	1,050	-	1,050	0.00	0.00	
3 Clearing Member	41,181	-	41,181	0.17	213	-	213	0.00	(0.17)	
4 Trust	41,581	-	41,581	0.17	41,581	-	41,581	0.15	(0.02)	
5 Foreign Nationals	5	-	5	0.00	5	-	5	0.00	0.00	
6 Hindu Undivided Family	2,46,140	-	2,46,140	1.00	2,22,423	-	2,22,423	0.80	(0.20)	
Sub-total (B)(2)	84,04,694	50,299	84,54,993	34.32	82,17,256	48,859	82,66,115	29.91	(4.41)	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,05,81,653	50,299	1,06,31,952	43.16	1,05,22,744	48,859	1,05,71,603	38.26	(4.91)	

Category of Shareholders		No. of Shares held at the beginning of the year [As on 1 st April, 2019]				No. of Shares held at the end of the year [As on 31 st March, 2020]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C.	Shares held by Custodian on behalf of GDRs / ADRs Holders (C1)	-	-	-	-	-	-	-	-	-
	Employee Benefit Trust under SEBI (Share Based Employee Benefit) Regulations, 2014 (C2)	-	-	-	-	-	-	-	-	-
	Total Non-Promoter Non-Public Shareholding (C) = (C1) + (C2)	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	2,45,82,909	50,299	2,46,33,208	100.00	2,75,84,349	48,859	2,76,33,208	100.00	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of year [As on 1 st April, 2019]			Shareholding at the end of the year [As on 31 st March, 2020]			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1.	Future Corporate Resources Pvt. Ltd. (*) (#) (f/k/a Suhani Trading and Investment Consultants Private Limited	1,16,82,558	47.43	1.32	1,46,82,558	53.13	0.00	5.70
2.	Retail Trust [^]	0	0.00	0.00	0	0.00	0.00	0.00
3.	Akar Estate and Finance Private Limited	50	0.00	0.00	50	0.00	0.00	0.00
4.	Surplus Finvest Private Limited	22,04,243	8.95	0.00	22,04,243	7.98	0.00	(0.97)
5.	Ms. Ashni Kishore Biyani	3,557	0.01	0.00	3,557	0.01	0.00	0.00
6.	Mr. Anil Biyani	106	0.00	0.00	106	0.00	0.00	0.00
7.	Mr. Gopikishan Biyani	106	0.00	0.00	106	0.00	0.00	0.00
8.	Mr. Kishore Biyani	106	0.00	0.00	106	0.00	0.00	0.00
9.	Mr. Laxminarayan Biyani	106	0.00	0.00	106	0.00	0.00	0.00
10.	Mr. Rakesh Biyani	106	0.00	0.00	106	0.00	0.00	0.00
11.	Mr. Sunil Biyani	106	0.00	0.00	106	0.00	0.00	0.00

Sr. No	Shareholder's Name	Shareholding at the beginning of year [As on 1 st April, 2019]			Shareholding at the end of the year [As on 31 st March, 2020]			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
12.	Mr. Vijay Biyani	106	0.00	0.00	106	0.00	0.00	0.00
13.	Mr. Vivek Biyani	106	0.00	0.00	106	0.00	0.00	0.00
14.	Ms. Sangita Biyani @	1,10,000	0.45	0.00	1,66,566	0.60	0.00	0.15
15.	Ms. Avni Biyani ~	-	-	-	3,783	0.01	0.00	0.01
	Total	1,40,01,256	58.84	1.32	1,70,61,605	61.74	0.00	4.91

- (*) Suhani Trading and Investment Consultants Private Limited (now known as Future Corporate Resources Private Limited) was added in the Promoter Group of the Company in financial year 2017-18 in pursuance of Scheme of Arrangement among Future Corporate Resources Limited, PIL Industries Limited, Manz Retail Pvt Ltd, Weavette Business Ventures Limited, ESES Commercials Pvt Ltd, Gargi Business Ventures Pvt Ltd and Suhani Trading and Investment Consultants Private Limited (the Transferee Company) which was approved by Hon'ble National Company Law Tribunal, Mumbai Bench and made effective on November 14, 2017. Further the name of Suhani Trading and Investment Consultants Private Limited was changed to Future Corporate Resources Private Limited with effect from December 11, 2018.
- (#) Equity shares aggregating to 30,00,000 (Thirty Lakh) allotted to Future Corporate Resources Private Limited (FCRPL) on exercise of conversion option of 3,180 Compulsorily Convertible Debentures (CCDs) out of 7,500 CCDs originally allotted on December 12, 2019 shall be under lock - in accordance with Regulation 167 of the SEBI (ICDR) Regulations, 2018.
- (^) As per disclosures under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, furnished by the Promoter/Promoter Group / PACs.
- (~) Ms. Avni Biyani, a Member of Promoter Group acquired 3,783 equity shares of the Company from open market during the year under review. Requisite disclosure SEBI (Prohibition of Insider Trading) Regulations, 2015 have been made to the Stock Exchanges whereat the Company's equity shares are listed.
- (@) Ms. Sangeeta Biyani, a Member of Promoter Group acquired 56,566 equity shares of the Company from open market during the year under review. Requisite disclosure SEBI (Prohibition of Insider Trading) Regulations, 2015 have been made to the Stock Exchanges whereat the Company's equity shares are listed.

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2019]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Future Corporate Resources Private Limited (f/k/a. Suhani Trading and Investment Consultants Private Limited)				
	At the beginning of the year	1,16,82,558	47.43	1,16,82,558	47.43
	Allotment dated 11-Feb-2020 pursuant to Conversion of 3,180 Compulsorily Convertible Debentures (CCDs)	30,00,000	5.70	1,46,82,558	53.13
	At the end of the year			1,46,82,558	53.13
2	Akar Estate and Finance Private Limited				
	At the beginning of the year	50	0.00	50	0.00
	No change during the year				
	At the end of the year			50	0.00
3	Mr. Kishore Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00
4	Ms. Ashni Kishore Biyani				
	At the beginning of the year	3,557	0.01	3,557	0.01
	No change during the year				
	At the end of the year			3,557	0.01
5	Mr. Anil Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00
6	Mr. Gopikishan Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00
7	Mr. Laxminarayan Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00
8	Mr. Rakesh Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2019]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	Mr. Sunil Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00
10	Mr. Vijay Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00
11	Mr. Vivek Biyani				
	At the beginning of the year	106	0.00	106	0.00
	No change during the year				
	At the end of the year			106	0.00
12	Ms. Sangita Biyani				
	At the beginning of the year	1,10,000	0.45	110,000	0.45
a)	Mkt. Purchases dt 12-Jun-2019	6,586	0.03	116,586	0.47
b)	Mkt. Purchases dt 13-Jun-2019	161	0.00	116,747	0.47
c)	Mkt. Purchases dt 14-Jun-2019	43,554	0.18	160,301	0.65
d)	Mkt. Purchases dt 18-Jun-2019	3,700	0.02	164,001	0.67
e)	Mkt. Purchases dt 19-Jun-2019	1,351	0.01	165,352	0.67
f)	Mkt. Purchases dt 20-Jun-2019	1,037	0.00	166,389	0.68
g)	Mkt. Purchases dt 21-Jun-2019	177	0.00	166,566	0.68
h)	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020		(0.08)		0.60
	At the end of the year			1,66,566	0.60
13	Surplus Finvest Private Limited				
	At the beginning of the year	2,204,243	8.95	2,204,243	8.95
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.97)	—	7.98
	At the end of the year			22,04,243	7.98
14	Ms. Avni Biyani				
	At the beginning of the year	—	—	—	—
a)	Mkt. Purchases dt 11-Jun-2019	3,475	0.01	3,475	0.01
b)	Mkt. Purchases dt 12-Jun-2019	308	0.00	3,783	0.01
	At the end of the year			3,783	0.01

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Particulars	Shareholding at the beginning of the year [As on 1st April, 2019]		Cumulative Shareholding During the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	BENNETT, COLEMAN AND COMPANY LIMITED				
	At the beginning of the year	11,55,737	4.69	11,55,737	4.69
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.51)	—	4.18
	At the end of the year			11,55,737	4.18
2	INDIA OPPORTUNITIES GROWTH FUND LTD - PINWOOD STRATEGY				
	At the beginning of the year	11,11,267	4.51	11,11,267	4.51
	Shares bought on 21-Jun-2019	22,726	0.09	11,33,993	4.60
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020		(0.50)		4.10
	At the end of the year			11,33,993	4.10
3	BRAND EQUITY TREATIES LIMITED				
	At the beginning of the year	10,29,999	4.18	10,29,999	4.18
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.45)	—	3.73
	At the end of the year			10,29,999	3.73
4	HERITAGE FOODS LIMITED				
	At the beginning of the year	8,92,371	3.62	8,92,371	3.62
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.39)	—	3.23
	At the end of the year			8,92,371	3.23

Sr. No.	Particulars	Shareholding at the beginning of the year [As on 1st April, 2019]		Cumulative Shareholding During the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
5	AADI FINANCIAL ADVISORS LLP				
	At the beginning of the year	6,98,538	2.84	6,98,538	2.84
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.31)	—	2.53
	At the end of the year			6,98,538	2.53
6	EQUITY INTELLIGENCE INDIA PRIVATE LIMITED				
	At the beginning of the year	3,30,000	1.34	3,30,000	1.34
	Shares bought on 05-Apr-2019	5,000	0.02	3,35,000	1.36
	Shares bought on 12-Apr-2019	40,000	0.16	3,75,000	1.52
	Shares bought on 26-Apr-2019	8,000	0.03	3,83,000	1.55
	Shares bought on 17-May-2019	5,000	0.02	3,88,000	1.58
	Shares bought on 31-May-2019	10,000	0.04	3,98,000	1.62
	Shares bought on 14-Jun-2019	13,000	0.05	4,11,000	1.67
	Shares bought on 05-Jul-2019	2,000	0.01	4,13,000	1.68
	Shares bought on 23-Aug-2019	8,000	0.03	4,21,000	1.71
	Shares bought on 15-Nov-2019	5,992	0.02	4,26,992	1.73
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	-	(0.18)	-	1.55
	At the end of the year			4,26,992	1.55
7	IDFC TAX ADVANTAGE (ELSS) FUND				
	At the beginning of the year	2,70,000	1.10	2,70,000	1.10
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.12)	—	0.98
	At the end of the year			2,70,000	0.98

Sr. No.	Particulars	Shareholding at the beginning of the year [As on 1st April, 2019]		Cumulative Shareholding During the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
8	AKASH BHANSHALI				
	At the beginning of the year	2,46,308	1.00	2,46,308	1.00
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.11)	—	0.89
	At the end of the year			2,46,308	0.89
9	V E C STRATEGIC EQUITY FUND				
	At the beginning of the year	1,84,719	0.75	1,84,719	0.75
	Shares bought on 05-Apr-2019	54,600	0.22	2,39,319	0.97
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020		(0.11)		0.87
	At the end of the year			2,39,319	0.87
10	BLUE DAIMOND PROPERTIES PRIVATE LIMITED				
	At the beginning of the year	2,09,043	0.85	2,09,043	0.85
	Dilution pursuant to allotment of 30,00,000 equity shares to Future Corporate Resources Private Limited on 11-Feb-2020	—	(0.10)	—	0.76
	At the end of the year			2,09,043	0.76

V. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Particulars	Shareholding at the beginning of the year [As on 1st April, 2019]		Cumulative Shareholding During the Year	
		No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
1	Mr. Viraj Didwania	-	-	-	-
	At the end of the year			-	-
2	Mr. Shrirang Sarda	50	0.00	50	0.00
	At the end of the year			50	0.00
3	Mr. Shantanu Shah	1,000	0.00	1,000	0.00
	At the end of the year			1,000	0.00
4	Mr. Pankaj Bhargava	-	-	-	-
	At the end of the year			-	-
5	Mr. S. Subramanian	-	-	-	-
	At the end of the year			-	-
6	Ms. Sridevi Badiga	-	-	-	-
	At the end of the year			-	-
7	Ms. Smita Chowdhury	-	-	-	-
	Purchased from Market on 13-Aug-2019	1	0.00	1	0.00
	At the end of the year			1	0.00
8	Mr. Anil Chandak	-	-	-	-
	Purchased from Market on 28-Jun-2019	100	0.00	100	0.00
	At the end of the year			100	0.00

V. INDEBTEDNESS

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

Particulars	Secured Loans Excluding	Unsecured	Deposits	Total Indebtedness
Indebtedness at the beginning of financial year (As on 1st April, 2019)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of financial year (As on 31st March, 2020)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (₹ in Lakhs)
		Mr. Viraj Didwania Chairman & Managing Director	
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	165.34	165.34
	(b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	1.39	1.39
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	—	—
2.	Stock Option	(*)	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5.	Retiral Benefits	4.56	4.56
	Total (A)	171.29	171.29
	Ceiling as per the Act	In view of loss, the ceiling is applicable as per Schedule V and other applicable provisions of the Companies Act, 2013 with related Rules thereto.	

(*) 2,31,000 Stock Options were granted during the FY 2018-19 and remains outstanding as on year end March 31, 2020.

B. Remuneration to other Directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Mr. S. Subramanian	Mr. Pankaj Bhargava	Mr. Shantanu Shah	Ms. Sridevi Badiga	Total
	Independent Directors					
	• Fee for attending Board Committee Meetings	3.60	3.60	3.60	1.80	12.60
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	3.60	3.60	3.60	1.80	12.60
	Other Non-Executive Directors	Mr. Shrirang Sarda				Total
	• Fee for attending Board Committee Meetings	1.50	-	-	-	1.50
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	1.50	-	-	-	1.50
	Total (B)=(1+2)					14.10
	Total Managerial Remuneration					
	Ceiling as per the Act -	Sitting Fees paid is within the limits specified under the Companies Act, 2013.				

C. Remuneration to Key Managerial Personnel Other than MD/Manager/ WTD

(₹ in Lakhs)

		Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
		-	Ms. Smita Chowdhury	Mr. Anil Chandak	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	11.55	66.56	78.11
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	0.32	0.32
	(c) Profits in lieu of salary under Section 17(3) of Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	#	@	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	-as % of profit	-	-	-	-
	-others, specify	-	-	-	-
	Others, please specify	-	-	-	-
5.	Retiral Benefits	-	0.36	3.31	3.67
	Total	-	11.91	70.19	82.10

2000 Stock Options were granted during the FY 2018-19 and remains outstanding as on year end March 31, 2020.

@ 17000 Stock Options were granted during the FY 2018-19 and remains outstanding as on year end March 31, 2020.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made. If any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers-in-Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For & on behalf of the Board of Directors of
PRAXIS HOME RETAIL LIMITED

Viraj Didwania

Chairman & Managing Director

DIN: 02412474

Place: Mumbai

Date: June 29, 2020

Corporate Governance Report

I. Company's Philosophy on Corporate Governance

Your Company places strong emphasis on best governance practices and considers it as an integral part of the business. The Company's philosophy on corporate governance is to demonstrate good corporate citizenship through sound governance practices, environmental awareness and ethical behavior not only to attain corporate objectives but also to align them with economic and social goals for the betterment of all stakeholders and community at large.

The framework of corporate governance provides for conducting the business according to the system, practices and processes which are further strengthened with adoption and implementation of various codes and policies in compliance with the applicable regulatory provisions and ensures transparency and accountability at various Organisation levels including the Board and its various Committees. Applicable codes and policies are available on the Company's website www.praxisretail.in. These codes and policies ensure the best standards of Corporate Governance by maintaining strong business fundamentals through persistent focus on the core values and principles such as commitment to bring efficiencies in business operations, best services to its customers, assuring adequate health and safety measures for its people, equal opportunities in employment, meeting corporate social responsibilities, fair and timely disclosures, compliance with the relevant rules and regulations and maximising overall stakeholders' value.

The Company has in place a Code of Conduct for the Board of Directors and Senior Management Personnel ("**Code of Conduct**") laying down the corporate ethics to be practised by entire management cadre. Your Company ensures compliance with the regulations 17 to 27 and applicable clauses of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and also the applicable provisions of the Companies Act, 2013 including amendments thereto (**the "Act"**).

ii Governance Structure

A. Board of Directors

The composition of the Board of Directors (**'the Board'**) is in conformity with the requirements of the Act and the Listing Regulations with optimum combination of Executive, Non-Executive and Independent Directors. The Board approves corporate strategies, which are intended to allocate corporate resources for long term growth and build sustainable long-term value for the stakeholders. In addition to the information and documents pertaining to any specific agenda items, the Board of Directors is regularly provided the information as prescribed under Part A of Schedule II to the Listing Regulations for its review/ suggestions/ approvals. As on March 31, 2020, the Board comprises of 6 (Six) Directors including one Independent Women Director. None of the Directors on the Board is serving as an Independent director in more than the limits as specified in regulation 25 of the Listing Regulations.

The Company has received a declaration from the Independent Directors that they meet the criteria of independence as per Regulation 16 of the Listing Regulations and the same has been taken on record by the Company. None of the Directors on the Board is a Member of more than 10 (Ten) Committees and/or Chairperson of more than 5 (Five) Committees (as specified in Regulation 26 of the Listing Regulations), across all the public companies in which he/she is a Director.

Further, the maximum tenure of Independent Directors is in line with provisions of Section 149 (10) and (11) of the Act and Rules made thereunder:

1. Relevant information on composition of the Board during financial year ended March 31, 2020:

Name of Director & Category	Name of other Listed entities where he/she is a director & (category of directorship)	No. of Directorships ¹		No. of Memberships / Chairmanships of Committees in public companies ²		No. of equity securities held in the Company
		Public	Private / Non-profit	Memberships	Chairmanship	
Mr. Viraj Didwania (Chairman & Managing Director)	None	1	1	2	0	Nil
Mr. Shrirang Sarda (Non-Executive Non- Independent Director)	None	1	8	1	1	50
Mr. Pankaj Bhargava (Independent Director)	None	1	1	2	0	Nil
Mr. Shantanu Shah (Independent Director)	None	1	1	1	1	1,000
Mr. S. Subramanian (Independent Director)	None	1	0	1	0	Nil
Ms. Sridevi Badiga (Independent Director)	Future Retail Ltd. (Independent Director)	2	1	2	0	Nil

None of the Directors of the Company have any inter-se relationship amongst themselves. The details of the familiarisation program of the Independent Directors are available on the website of the Company at the link https://www.praxisretail.in/assets/download/3.Independent_Director_Familiarisation_Program_Final.pdf

2. Matrix setting out skills/ expertise/ competence as identified by the Board

The Board skills matrix provides a guide as to the skills, knowledge, experience and other criteria appropriate for the functioning of the Board. The Board has identified this matrix as a tool to assist with professional development initiatives for Directors. The Company believes in skills-based composition of the Board comprising of Directors who collectively have the skills, knowledge and experience to effectively govern and direct the Organisation. These are broadly categorised under following aspects:

¹ Does not include directorships in foreign companies

² Only Audit Committees and Stakeholders' Relationship Committees that of the Company are included

- **Governance**

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

- **Industry specific**

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

- **Personal attributes & qualities**

These are the attributes which are generally considered desirable to be an effective Director possessing specific qualities like leadership, effective communication, honesty, independence, commitment, professionalism, Innovative, ethics and integrity etc.

All the Directors of the Company have been appointed possessing the above given skills / attributes and bring immense benefit and experience to the Company.

3. Meetings and Attendance

During the year under review, total (6) six Meetings of the Board of Directors were held on May 23, 2019, August 7, 2019, September 30, 2019, November 7, 2019, February 7, 2020 and March 19, 2020. The gap between two Meetings did not exceed 120 (One Hundred and Twenty) days as prescribed in the Listing Regulations and the Act. The Eighth (8th) Annual General Meeting (AGM) of the Company was held on September 21, 2019 and during the period under review one Extraordinary General Meeting (EGM) was held on October 30, 2019. Details of Meetings and attendance by the Directors of the Company are as under:

Name of Director	No. of Board Meetings		8th AGM (September 21, 2019)	EGM (October 30, 2019)
	Entitled to attend	Attended		
Mr. Viraj Didwania	6	6	Yes	No
Mr. Shrirang Sarda	6	4	Yes	Yes
Mr. Pankaj Bhargava	6	5	Yes	Yes
Mr. Shantanu Shah	6	6	Yes	Yes
Mr. S. Subramanian	6	6	Yes	No
Ms. Sridevi Badiga	6	4	No	No

4. Resignation of Independent Director

During the year under review, none of the Independent Directors resigned from the Office of Director of the Company.

5. Code of Conduct

The Board has laid down the Code of Conduct for all Directors and Senior Management of the Company to conduct their activities in the best interest of the Company and exercising due care and diligence while performing their duties. The said Code of Conduct is hosted on website of the Company at http://www.praxisretail.in/assets/download/1.Code-of-Conduct_for_Directors_and_Senior_Management_Final.pdf All Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the financial year ended March 31, 2020. A declaration to this effect signed by the Chairman & Managing Director forms part of this Corporate Governance Report.

6. Confirmation

The Board of Directors confirms that in its opinion, the Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and the Act and are independent from the Management of the Company.

B. Audit Committee

The Audit Committee of the Company comprises of 5 (Five) Directors. The Committee comprises majority of Independent Directors. All the members of the Committee possess adequate accounting and financial knowledge. The Company Secretary functions as Secretary to the Committee. During the year under review, six (6) meetings of the Audit Committee were held on May 23, 2019, August 7, 2019, September 30, 2019, November 7, 2019, February 7, 2020 and March 19, 2020.

1. Relevant information on composition of the Audit Committee during the financial year ended March 31, 2020

Name of Director	Category	Designation	No. of Meetings	
			Entitled to attend	Attended
Mr. Shantanu Shah	Independent Director	Chairperson	6	6
Mr. Viraj Didwania	Chairman & Managing Director	Member	6	6
Mr. Pankaj Bhargava	Independent Director	Member	6	5
Mr. S. Subramanian	Independent Director	Member	6	6
Ms. Sridevi Badiga	Independent Director	Member	6	4

The composition of Audit Committee meets the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

2. Terms of Reference

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

Role of the Audit Committee, inter-alia, includes the following:

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the Director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the Company with related parties; provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;

- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the vigil & whistle blower mechanism;
- approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- effective from April 1, 2019, role of the Audit Committee also includes reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

3. Review of information

The Audit Committee shall review the following:

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

C. Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Company (“NRC”) plays a leadership role in shaping the corporate governance of the Company, strives to build an engaged and diverse Board whose composition is appropriate in light of the Company’s requirements and strategies. The NRC develops an executive compensation philosophy, adopts and oversees the implementation of compensation policies that designs compensation packages for the Directors and Senior Management Personnel to incentivise for the creation of long-term value, and develops meaningful goals for performance-based compensation that support the Company’s long-term value creation strategy. The NRC comprises of 4 (Four) Directors, 1 (One) Non-Executive Non-Independent Directors and 3 (Three) Independent Directors. During the year under review, total four (4) meetings of the NRC were held on May 23, 2019, August 7, 2019, November 7, 2019 and March 19, 2020.

1. **Relevant information on composition of the NRC during the financial year ended March 31, 2020**

Name of Director	Category	Designation	No. of Meetings	
			Entitled to attend	Attended
Mr. S.Subramanaian	Independent Director	Chairperson	4	4
Mr. Pankaj Bhargava	Independent Director	Member	4	4
Mr. Shirang Sarda	Non-Executive Non-Independent Director	Member	4	2
Mr. Shantanu Shah	Independent Director	Member	4	4

2. **Terms of reference:**

The terms of reference of NRC are reviewed from time to time by the Board. The NRC has been mandated to comply with the requirements as specified in Part D of the Schedule II to the Listing Regulations, provisions of section 178 of the Act and Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, as may be applicable. The role of the NRC, inter-alia, includes the following:

- to formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- to formulate criteria for evaluation of Independent Directors and the Board;
- to devise a policy on Board diversity;
- to Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- to establish and from time to time review the policy for Employee Stock Option Plan (ESOP) and Employee Stock Option Scheme (ESOS) as well as issuance of SWEAT equity shares and recommend the grants of stock options to be made under ESOP / ESOS;
- to review Company's remuneration and human resource policy and
- effective from April 1, 2019, role of NRC also includes to recommend to the Board, all remuneration, in whatever form, payable to senior management cadre of the Company.

3. **Performance evaluation criteria for Independent Directors**

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

4. Remuneration policy for Executive Directors

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

5. Criteria of making payments to Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending meetings of the Board and Committee (except CSR Committee & Share Transfer Committee) of the Board including meeting of Independent Directors, as decided from time to time by the Board.

6. Details of payment of remuneration to Chairman & Managing Director

The remuneration paid to the Chairman & Managing Director for the year ended March 31, 2020 is as under:

(₹ in Lakhs)								
Name	Salary (₹ in Lakhs)	Variable Bonus (₹ in Lakh)	Company's Contribution to Provident Fund (₹ in Lakh)	Perquisites (₹ in Lakhs)	Total (₹ in Lakhs)	Total Contract Period	Notice period in months	Stock Options granted (Nos.)
Mr. Viraj Didwania	165.34	-	4.56	1.39	171.29	5 years w.e.f. October 12, 2017	6	-

Notes:

- All the above components of remuneration, except Performance Bonus / Commission, are fixed in nature.
- There is no separate provision for payment of severance fees.
- 2,31,000 stock options were granted during the financial year 2018-19 and remains outstanding as on year end March 31, 2020.

7. Details of payment of remuneration to Non-Executive Directors

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

(₹ in Lakhs)	
Name of Director	Sitting Fees paid
Mr. Shirang Sarda	1.50
Mr. Pankaj Bhargava	3.60
Mr. Shantanu Shah	3.60
Mr. S. Subramanian	3.60
Ms. Sridevi Badiga	1.80
Total	14.10

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

D. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ("SRC") meets as and when required to consider the transfer proposals and attend various aspects of interest of the security holders. During the year under review, total (4) four meetings of SRC were held on May 23, 2019, August 7, 2019, November 7, 2019 and February 7, 2020 .

1. Relevant information on composition of the SRC during the financial year ended March 31, 2020

Name of Director	Designation	No. of meetings	
		Entitled to attend	Attended
Mr. Shrirang Sarda	Chairperson	4	2
Mr. Viraj Didwania	Member	4	4
Mr. Pankaj Bhargava	Member	4	3

Ms. Smita Chowdhury - Company Secretary, is the Compliance Officer of the Company.

2. Role of SRC

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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

3. Share Transfer Committee

As on March 31, 2020, the Share Transfer Committee comprises of Mr. Shrirang Sarda, Non-Executive Non-Independent Director, Mr. Viraj Didwania, Chairman & Managing Director, Mr. Pankaj Bhargava, Independent Director, Mr. Anil Chandak, Chief Financial Officer and Ms. Smita Chowdhury, Company Secretary & Compliance Officer as Members of the Committee. The Share Transfer Committee meets as and when required to consider the transfer proposals and attend to Investors' grievances, transmission of shares, split, consolidation, issue of duplicate share certificate, dematerialisation and rematerialisation of shares.

4. Investors' Grievance Redressal

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

Complaints at the start of the year	Received during the year	Resolved during the year	Complaints pending at the end of the year
NIL	4	4	NIL

E. Corporate Social Responsibility Committee

The CSR Committee is constituted in line with the provisions of section 135 of the Act. Mr. Viraj Didwania, Chairman & Managing Director, is the Chairperson of the CSR Committee. Other members of the CSR Committee are Mr. Pankaj Bhargava, Mr. Shantanu Shah and Mr. S. Subramanian, Independent Directors. During the year under review, no meeting of the Committee was held as the Company was not required to spend any amount on CSR activities, since the Company does not fit into the criteria specified in Section 135 of the Act.

The disclosures as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is appended to the Board's Report. The CSR Policy adopted by the Company can be viewed at http://www.praxisretail.in/assets/download/6.CSR_Policy.pdf The terms of CSR Committee include the matters specified in the Section 135 of the Companies Act, 2013, Schedule VII to the Act and applicable rules made thereunder.

F. Committee of Directors

The Board of Directors have constituted a Committee of Directors comprising Mr. Viraj Didwania, Chairman & Managing Director, Mr. Pankaj Bhargava and Mr. Shantanu Shah, Independent Directors of the Company, to ensure support to routine operations and activities of the Company in addition to the specific powers delegated by the Board. The committee meets as and when required. Total 5 (Five) Meetings of the Committee were held during the year under review.

G. Risk Management

The Company has a well-defined risk management framework in place commensurate with the size and nature of the operations, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company. The Audit Committee / Board of Directors periodically reviews the risk assessment and minimisation procedures and ensures that executive management controls risk through means of a properly defined framework. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis forming part of the Annual Report. Provision relating to the Risk Management Committee under Regulation 21 of the Listing Regulations were not applicable to the Company during the year under review.

H. Independent Directors

As per Regulation 17 of the Listing Regulations as well as pursuant to Section 149 of the Act read with Schedule IV thereto, the Board comprises of not less than fifty per cent of Independent Directors. A separate meeting of Independent Directors and the Board as a whole, performance of the Chairman and assessed the quality, quantity and timelines of flow of information between the Company Management and the Board. All Independent Directors were present at the above meeting through video conferencing as due to the outbreak of COVID-19 pandemic physical meeting could not be held.

I. Code of Conduct for prevention of insider trading in the securities of the Company and Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information

The Company has formulated a Code of Conduct for prevention of insider trading in the securities of the Company pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 applicable to the Designated Persons ('Code of Conduct'). Further, the Board has also laid down Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code') in accordance with provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, with a view to regulate any communication of any unpublished price sensitive information for any purpose other than the legitimate purpose as defined under the said Fair Disclosure Code. Pursuant to the requirements prescribed under SEBI notification dated December 31, 2018 and provisions of Securities Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the revised Code of Conduct and Fair Disclosure Code was adopted by the Company which came into effect from April 1, 2019. Audit Committee of the Company monitors and ensures compliance with the aforesaid Code of Conduct and Fair Disclosure Code. During the year an electronic internal system was also introduced to facilitate compliance with the SEBI (Prohibition of Insider Trading), Regulations, 2015 and the Company's Code of Conduct. The Code of Conduct and Code of Fair Disclosure together regulate trading in securities by the Designated Persons of the Company. The Code of Conduct requires pre-clearance for certain dealing in the Company's securities by the Designated Persons and also prohibits dealing with Company's securities by Designated Persons while in possession of unpublished price sensitive information. The Code of Fair Disclosure is hosted on Company's website at <http://www.praxisretail.in/assets/download/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-Unpublished-Price-Sensitive-Information.pdf>

j. Communication with Stakeholders

Communication to the stakeholders is primarily made through disclosure through the Stock Exchanges. Quarterly, half yearly and annual financial results are published in leading English and Marathi dailies, viz. "The Free Press Journal" (English Daily) and "Nav Shakti" (Marathi Newspaper) pursuant to Regulation 47 of the Listing Regulations. Annual Reports, financial results, shareholding pattern and other required disclosures are also displayed on the Company's website www.praxisretail.in as required under Regulation 46 of the Listing Regulations and also hosted by the Stock Exchanges on their respective websites. All filings, disclosures and communications to Stock Exchanges are made electronically through their specific web portals to disseminate the information/ disclosure to make such information generally available. The Company also informs the Stock Exchanges in advance about any schedule of meetings with any investors/ analysts. The presentation, if any, made to them are furnished to the Stock Exchanges and the same are also hosted on the website of the Company www.praxisretail.in

K. General Body Meetings

1. Schedule of previous three Annual General Meetings:

Year	Date	Time	Venue
2019	Saturday, September 21, 2019	11:00 am	Sunville Banquet & Conference, 9, Dr. Annie Besant Road, Siddharth Nagar, Worli, Mumbai – 400018.
2018	Tuesday, September 18, 2018	10:30 am	Sunville Banquet & Conference, 9, Dr. Annie Besant Road, Siddharth Nagar, Worli, Mumbai – 400018.
2017	Thursday September 21, 2017	10:00 am	iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042.

2. Special resolutions passed in previous three Annual General Meetings:

Details of last three Annual General Meetings are as below:

Year	Matters approved through Special Resolutions
2018-19	<ul style="list-style-type: none"> Approval for modification in Praxis Home Retail Limited Share Value Appreciation Rights, Plan - 2018 and Grant of Share Based Employee Benefits thereof Approval for modification in Grant of Employee Stock Options / Share Value Appreciation Rights to the Employees of the Subsidiary Company(ies), if any, of the Company under Praxis Home Retail Limited Share Value Appreciation Rights, Plan - 2018
2017-18	<ul style="list-style-type: none"> Approval for revision in the remuneration of Mr. Viraj Didwania, Chairman & Managing Director of the Company. Approval of Praxis Home Retail Limited Share Value Appreciation Rights, Plan - 2018 and Grant of Share Based Employee Benefits thereof. Grant of Employee Stock Options / Share Value Appreciation Rights to the Employees of the Subsidiary Company(ies), if any, of the Company under Praxis Home Retail Limited Share Value Appreciation Rights, Plan - 2018. Grant of Employee Stock Options/Share Value Appreciation Rights, to the Employees of Company and that of the Subsidiary Company(ies) (if any) by way of secondary acquisition under Praxis Home Retail Limited Share Value Appreciation Rights, Plan - 2018. Approval of the Trust Route for Implementation of 'Praxis Home Retail Limited Share Value Appreciation Rights, Plan- 2018 ("Praxis SVAR Plan 2018" / "Plan"). Approve Provision of Money by the Company for Purchase of its own Shares by the Trust/ Trustees for the Benefit of Employees under Praxis Home Retail Limited Share Value Appreciation Rights Plan - 2018 ("Praxis SVAR Plan - 2018" / "Plan").
2016-17	None

3. Extraordinary General Meeting

During the year under review, one Extraordinary General Meeting was held on October 30, 2019. Further the details of Extraordinary General Meeting held during the past three financial years are as below:

Day, Date & Time of the EGM	Venue	Special Resolutions Passed
FY 2019-20 Wednesday, October 30, 2019 at 12.00 Noon	Sunville Banquet & Conference, 9, Dr. Annie Besant Road, Siddharth Nagar, Worli, Mumbai - 400018.	<ul style="list-style-type: none"> Preferential Issue of Compulsorily Convertible Debentures of the Company
FY 2017-18 Tuesday May 30, 2017 at 11.00 am	32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai- 400004	<ul style="list-style-type: none"> Conversion of the Company from Private Limited to Public Limited and change of name thereof from "Praxis Home Retail Private Limited" to "Praxis Home Retail Limited". Alteration of Main object clause and incidental or ancillary object clause in the Memorandum of Association of the Company. Alteration and adoption of Articles of Association of the Company as per Companies Act, 2013.

Day, Date & Time of the EGM	Venue	Special Resolutions Passed
FY 2017-18 Thursday, October 12, 2017 at 04:00 pm	iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai - 400042.	<ul style="list-style-type: none"> Appointment of Mr. Viraj Didwania as Managing Director for a period of 5 (five) years effective from October 12, 2017.
FY 2017-18 Monday, November 20, 2017 at 5.00 pm	iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai - 400042	<ul style="list-style-type: none"> Authority to make or give any loans / advances and/or make any investments including in shares, debentures and / or other securities and to give any guarantee and/or provide any security in connection with any loan(s) made by or given to any other person(s), companies or bodies corporate from time to time in the interest of the Company in aggregate for an amount not exceeding ₹ 750 Crore (Rupees Seven Hundred Fifty Crore Only) in one or more tranches and which may be in excess of the limits prescribed under Section 186 of the Act. Increase in Borrowing powers of the Company exceeding the aggregate of the paid up capital of the Company and its free reserves, provided however that, the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed ₹ 750 Crore or equivalent amount in foreign currency, exclusive of interest and other charges pursuant to the provisions of Section 180(1)(c) of Companies Act, 2013. Authority for creation of mortgage, charge, hypothecation, lien and other encumbrances, if any, by the Company, as the Board of Directors may deem fit, on the assets of the Company, both present and future, for securing the sum or sums of moneys aggregating to ₹ 750 Crore borrowed by the Company from Banks, Financial Institutions and others as the case may be pursuant to the provisions of Section 180(1) of Companies Act, 2013.

4. Postal Ballot

During the year under review, no business was separately carried out through postal ballot.

III. General Information for Shareholders

1. Date, time and venue of the Ninth Annual General Meeting-

In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its general circular dated May 5, 2020 read with general circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA circulars') permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the members at a common venue. Further, Securities and

Exchange Board of India ('SEBI') vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ('SEBI circular') has also granted certain relaxations in connection with convening and holding of AGM. In compliance with the provisions of the the Act, the Listing Regulations and MCA circulars, the 9th AGM of the Company is being held through VC/OAVM on Monday, September 28, 2020 at 12.00 noon (IST). The deemed venue for the 9th AGM will be iThink Techno Campus, Jolly Board Tower D, Ground Floor Kanjurmarg (East), Mumbai-400042. However, the Directors shall attend the AGM from their respective location.

2. Financial Year

The financial year covers the period from April 1 of every year to March 31 of the following year.

Financial Reporting for

Quarter	Release Date (tentative & subject to change)
1 st Quarter ending June 30, 2020	First/Second week of August, 2020
2 nd Quarter/Half- year ending September 30, 2020	First/Second week of November, 2020
3 rd Quarter ending December 31, 2020	First/Second week of February, 2021
4 th Quarter/Year ending March 31, 2021	Third/Fourth week of May, 2021

Note: The above dates are indicative.

3. Dividend payment date

The Board of Directors of the Company has not recommended any dividend for the financial year ended March 31, 2020.

4. Unclaimed Dividend of earlier year(s)

During the year no unclaimed dividend was due for transfer to Investor Education & Protection Fund.

A shareholder(s) or any other person claiming to be entitled to any amount transferred to unpaid dividend account, are advised to write to the Company/ RTA and provide requisite details i.e. name of the shareholder entitled to the dividend, amount of unclaimed dividend, DP ID- Client ID or Folio No., year for which amount has remained unclaimed, bank account details for electronic transfer and any other information as may be sought by the Company/ RTA to enable them to process the payment of unclaimed dividend.

5. Listing Details

The Company's Equity Shares of the face value of ₹ 5/- are listed on:

- (i) BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
- (ii) National Stock Exchange of India Limited (NSE)
Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051.

6. Listing Fees

Applicable listing fees pertaining to equity shares have been paid to both the Stock Exchanges - BSE & NSE, where the equity shares of the Company are listed.

7. Securities Codes

Type of Security	ISIN No.	Scrip Code/ Symbol	
		BSE	NSE
Equity	INE546Y01022	540901	PRAXIS

8. Corporate Identity Number (CIN)

Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs is L52100MH2011PLC212866.

9. Stock Performance³

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

Months	BSE (in ₹)		NSE (in ₹)	
	High	Low	High	Low
April 2019	195.00	145.00	183.00	145.25
May 2019	152.20	122.00	163.70	121.60
June 2019	133.50	86.05	131.40	89.95
July 2019	109.45	73.25	110.90	75.05
August 2019	78.90	51.25	80.00	56.00
September 2019	91.00	50.60	90.00	56.05
October 2019	70.15	57.05	74.00	59.00
November 2019	70.00	58.00	68.90	56.20
December 2019	68.95	57.55	68.00	57.10
January 2020	85.00	58.75	87.00	58.60
February 2020(*)	0.00	0.00	83.90	69.15
March 2020	80.75	80.75	65.70	46.05

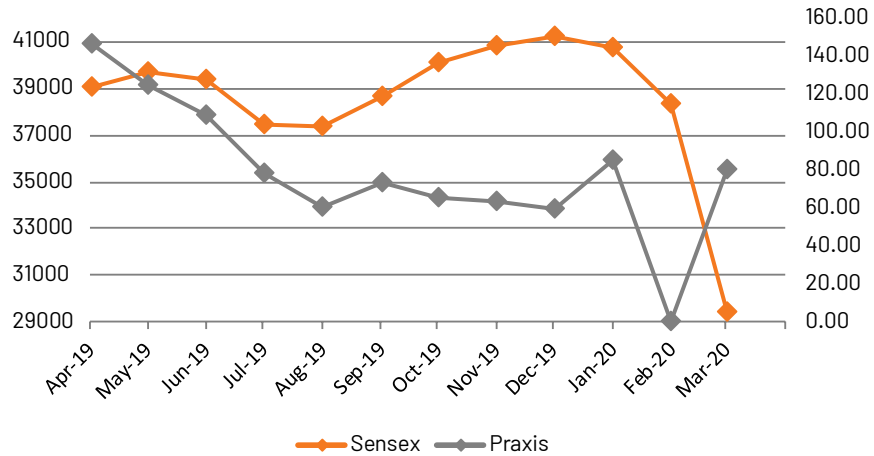
(*) Equity Shares of the Company did not trade on BSE Limited in month of February 2020.

³ Source: BSE and NSE

10. Performance of Share Price of the Company in comparison to the BSE Sensex

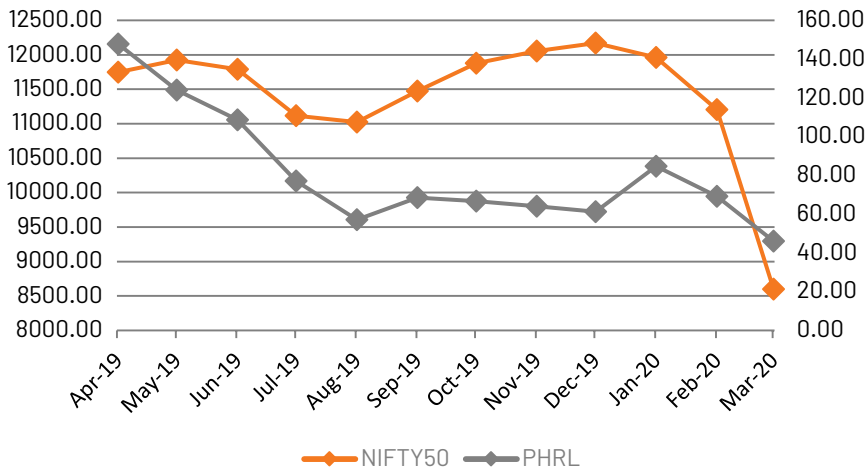
The performance comparison is based on the closing price / Sensex on the last trading day of the month.

Price performance compared to BSE SENSEX



Note : Equity Shares of the Company did not trade on BSE Limited in month of February 2020.

Price Performance compared to NSE NIFTY50



11. Performance of Share Price of the Company in comparison to the NSE NIFTY 50

The performance comparison is based on the closing price / NSE Nifty 50 on the last trading day of the month

12. Share Transfer System

Trading in equity shares of the Company through recognised Stock Exchanges is permitted only in dematerialised form. Shares sent for transfer in physical form, if any, are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expedite the process of share transfers, necessary authority has been delegated to the Stakeholder Relationship Committee / Share Transfer Committee to approve the transfers of equity shares of the Company. Investors are requested to take note that pursuant to the respective notification by the Ministry of Corporate Affairs, BSE Limited and the National Stock Exchange of India Limited, transfer of shares held in physical mode is not permissible from April 01, 2019. No transfer of securities held in physical mode is permitted from the said date. In view of this, investors are advised and recommended to dematerialise the security of the Company held by them at earliest to avoid any delay for transfer. A detailed process for dematerialising the securities is available on the website of the Company www.praxisretail.in

13. De-materialisation of shares

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either NSDL or CDSL. A detailed process for dematerialising the securities is available on the Company website at http://www.praxisretail.in/assets/download/Intimation_to_Shareholders_regarding_Dematerialisation_of_Shares.pdf Entire shareholding of Promoter and Promoter Group is in dematerialised form.

Status of dematerialisation of equity shares as on March 31, 2020 is as under:

Particulars	No. of Shares	% of total Paid-up Capital*
National Securities Depository Limited (#)	2,24,78,155	81.33
Central Depository Services (India) Limited	51,06,194	18.47
Total Dematerialised	2,75,84,349	99.82
Physical	48,859	0.18
Total	2,76,33,208	100.00

(#) During the year under review Equity Shares aggregating to 30,00,000 (Thirty Lakh) were allotted to Future Corporate Resources Private Limited (FCRPL) on exercise of conversion option of 3,180 Compulsorily Convertible Debentures (CCDs) out of 7,500 CCDs originally allotted on December 12, 2019. Further, as on March 31, 2020 the aforesaid 30,00,000 (Thirty Lakh) Equity Shares which is shown in the NSDL demat account above, were in the process of being credited into the respective Demat account of FCRPL with NSDL, and yet to be listed on both the stock exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

(*) Pursuant to the Scheme of Arrangement between Future Retail Limited ('FRL') and Bluerock eServices Private Limited ('BSPL') and Praxis Home Retail Limited ('the Company') and their respective Shareholders, 5218 Equity Shares of the Company are held in abeyance as against 104,371 Equity Shares of FRL, which are held in abeyance.

14. Outstanding GDR/ ADR or warrants or any convertible instruments

During the year under review the Company issued and allotted 7,500 Compulsorily Convertible Debentures (CCDs) to Future Corporate Resources Private Limited (FCRPL) one of the promoter entity at Conversion Price of ₹ 106/- each equity share of face value of ₹ 5/- each fully paid-up. Out of the 7,500 CCDs allotted to FCRPL, 3,180 CCDs have been converted into 30,00,000 (Thirty -Lakh) equity shares of the Company of face value of ₹ 5/- each fully paid-up on February 11, 2020 and 4,320 CCDs are outstanding as at March 31, 2020. Post conversion of 3,180 CCDs the shareholding of FCRPL increased from 47.43% to 53.13% and the Company became a subsidiary of FCRPL by virtue of the same. The Company has not issued any GDRs/ ADRs/ Warrants etc., during the financial year 2019-20. Further, as on March 31, 2020, a total of 3,62,750 stock options were outstanding under "Praxis Home Retail Limited Share Value Appreciation Rights Plan -2018 ("Praxis SVAR Plan-2018"). Each stock option is convertible into one equity share of ₹ 5/- each fully paid-up. Further details of such Praxis SVAR Plan-2018 are given in Annexure-II appended to the Board's Report.

15. Distribution of Shareholding of Equity Shares as on March 31, 2020

Distribution Range	Shareholders		Equity Shares	
	No.	%	No.	%
1-500	28,227	97.5262	5,64,678	2.0435
501-1000	235	0.8119	1,85,720	0.6721
1001-2000	185	0.6392	2,73,014	0.9880
2001-3000	65	0.2246	1,65,559	0.5991
3001-4000	45	0.1555	1,62,195	0.5870
4001-5000	23	0.0795	1,05,458	0.3816
5001-10000	67	0.2315	4,96,520	1.7968
10001 & above	96	0.3317	2,56,80,064	92.9319
Total	28,943	100.0000	2,76,33,208	100.0000

16. Shareholding Pattern as on March 31, 2020

Category	No. of Equity Shares	Percentage (%)
Promoters and Promoter Group*	1,70,61,605	61.74
Mutual Funds	2,70,027	0.98
Banks, Financial Institutions	1,83,518	0.66
Alternate Investment Fund	6,31,610	2.29
Insurance Companies	20	0.00
Foreign Portfolio Investor	12,20,313	4.42
Non-Resident Indians	1,75,831	0.64
Bodies Corporate	49,45,298	17.90
Indian Public (Individual)	28,79,634	10.42
Directors & their Relatives	1,050	0.00

Category	No. of Equity Shares	Percentage (%)
Clearing Members	213	0.00
Trust	41,581	0.15
Hindu Undivided Family	2,22,423	0.80
Foreign Portfolio Investor (Individual)	80	0.00
Foreign Nationals	5	0.00
Non-Banking Financial Company (NBFC)	-	0.00
Total	2,76,33,208	100

(*) During the year under review the Company issued and allotted 30,00,000 equity shares to Future Corporate Resources Private Limited (FCRPL) one of the promoter entity pursuant to exercise of conversion option on 3,180 Compulsorily Convertible Debentures (CCDs) at Conversion Price of ₹ 106/- each out of the 7,500 CCDs originally allotted to FCRPL.

17. Plant Locations

In view of the nature of the Company's business i.e. Retail, the Company operates from various stores on Pan India basis. For details of our store locations in cities across India, kindly refer page no. 8 of this Annual Report.

18. Registered Office/ Address for Correspondence

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

19. Investor Correspondence

Registrar and Transfer Agents

Link Intime India Private Limited

C - 101, Embassy 247, L.B.S Marg, Vikhroli (West), Mumbai - 400 083.

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

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

For securities held in demat Form

Investors' concerned Depository Participant(s) and/ or Link Intime India Private Limited

For any query on the Annual Report

Ms. Smita Chowdhury, Company Secretary & Compliance Officer

Praxis Home Retail Limited

iThink Techno Campus, Jolly Board Tower -D, Ground Floor, Kanjur Marg (East), Mumbai - 400042.

Tel No.: +91 22 7106 8031 Fax No.: +91 22 7106 8032

E-mail: investorrelations@praxisretail.in; Website: www.praxisretail.in

20. Credit Ratings

As at the end of the financial year, the Company has not obtained any Credit Ratings.

21. Website

The Company maintains a functional website www.praxisretail.in. Apart from other business/operational information, various information, disclosures, financial results, codes & policies, reports, contact details etc. as required under the Listing Regulations and the Act are hosted on such website under a separate section "Investor Relations".

IV. Other Disclosures

1. Related Party Transactions

Transactions with related parties were reviewed / approved by the Audit Committee and were entered into in the ordinary course of business and at arm's length basis. During the year under review, there were no materially significant transactions entered into with any related party that may have potential conflict with the interests of the Company at large. The details of related party transactions are given in notes forming part of the Financial Statements for the year ended March 31, 2020.

Policy on dealing with related party transactions is available on the website of the Company at <http://www.praxisretail.in/assets/download/10-Policy-of-Dealing-with-Related-Party-Transactions.pdf>

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

During the year under review, Future Corporate Resources Private Limited (fka Suhani Trading Investments and Consultants Private Limited – Holding and Promoter of the Company, held more than 10% of paid up share capital of the Company. Requisite details of transactions with the said related party is given under note 39 to the Financial Statements for the financial year ended March 31, 2020. There were no other transactions with any entity forming part of Promoter Group and holding more than 10% of the shareholding in the Company.

3. Disclosure of Accounting Treatment

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

4. Commodity price risk or foreign exchange risk and hedging activities

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

5. Policy for determination of material subsidiary

The Company has a policy for determining material subsidiaries of the Company, which is available on the website of the Company at: http://www.praxisretail.in/assets/download/9.Policy_for_determining_Material_Subsiary.pdf

6. Establishment of Whistle Blower Policy/Vigil Mechanism

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

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

During the year under review, the Company had raised ₹ 75,00,00,000/- (Seventy-Five Crore) through Preferential Issue of 7,500 Compulsorily Convertible Debentures (CCDs) of face value of ₹ 1,00,000/- (Rupees One Lakh only) each to Future Corporate Resources Private Limited (FCRPL) one of the promoter entity. The said funds were entirely utilised for the object it was raised for and as set out in the Notice convening the Extraordinary General Meeting (EGM) held on October 30, 2019 i.e for financing long - term working capital requirements, general corporate purposes, capital expenditure requirements, if any and fostering the growth trajectory of the Company and for repayment of the ad-hoc loans, ICDs obtained for the aforesaid purposes.

There were not deviations or variation in utilisation of the funds raised. A disclosure to that effect as reviewed by the Audit Committee has been submitted to the Stock Exchanges in compliance with Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circular CIR / CFD / CMD1 / 162 / 2019 dated December 24, 2019 along with financial result for the quarter ended December 31, 2019.

8. Certificate from a Company Secretary in Wholetime Practice

A certificate from a company secretary in practice certifying that none of the directors on the board of the Company has been debarred or disqualified by the Board/Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as a Director of the Company is annexed to this report.

9. Non-acceptance of any recommendations of any Committee for the Board's approval

During the financial year under review, there is no instances where the board did not accept any recommendation/ submissions of any committee for the approval of the Board, which is mandatorily required.

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

The Company has paid an aggregate amount of ₹ 32,75,000/- (Rupees Thirty-Two Lakh Seventy-Five Thousand only) to the Auditors towards the audit remuneration and other services. There was no other payment made to any network firm/ network entity of which the Statutory Auditors is a part.

11. Disclosure in relation to Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on end of financial year
2	2	Nil

12. Details of non-compliance

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

13. Unclaimed Shares

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

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2019	184	5,034
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Shareholders to whom shares were transferred from the suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2020	184	5,034

The Voting Rights on the shares outstanding in the suspense account as on March 31, 2020 shall remain frozen till the rightful owner of such shares claims the shares.

Further the Company is in the process of transferring 22,078 equity shares of the Company held by 720 shareholders to the aforesaid Unclaimed Suspense Account after sending three (3) reminders to them in accordance with in accordance with Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI.

V. Management

A Management Discussion and Analysis (MDA) forms part of the Board's Report.

All members of the Senior Management have confirmed to the Board that there were no material, financial and/or commercial transactions between them and the Company, which could have any potential conflict of interest with the Company at large.

VI. CEO/CFO Certification

As required under Regulation 17(8) of the Listing Regulations, the Chairman & Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2020.

VII. Compliance with Mandatory requirements

Your Company has complied with all the mandatory requirements of SEBI Listing Regulations relating to Corporate Governance.

VIII. Discretionary Requirements under Part E of Schedule II of Listing Regulations

1. Board of Directors

The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a Non-Executive Chairman does not arise.

2. Shareholders' Rights

Financial results of the Company (quarterly, half yearly and annually) are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Significant events are submitted to the Stock Exchanges and also posted on the Company's website. Hence, the Company does not furnish any statement on half yearly financial results or summary of any significant events to individual member.

3. Modified opinion(s) in Audit Report

The Statutory Auditors have given the Company an unmodified audit opinion on the Company's Financial Statements for the financial year ended March 31, 2020.

4. Reporting of Internal Auditor

Internal Auditors are regularly invited to the meetings of Audit Committee to make presentation on various internal controls followed & exercised by the Company together with observations, if any, during the course of their Internal Audit. The internal auditors are also entitled to seek any external assistance while preparing/ submitting their reports before the Audit Committee.

For & on behalf of the Board of Directors of
PRAXIS HOME RETAIL LIMITED

Viraj Didwania

Chairman & Managing Director

DIN: 02412474

Place: Mumbai

Date: June 29, 2020

Practicing Company Secretary Certificate on Corporate Governance

To
The Members
Praxis Home Retail Limited
Mumbai

I have examined the compliance of conditions of Corporate Governance by Praxis Home Retail Limited (“the Company”) for the financial year ended on March 31, 2020 as stipulated in Regulations 17 to 27 and sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

I have to state that due to prevailing conditions of COVID-19 in the Country, I could not carry out the physical inspection of the records maintained by the Company. I have relied upon the records in digital mode as made available by the Company. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Anant Gude & Associates,**
Anant Gude
Practicing Company Secretary
Proprietor
ACS No.7219 / CP No.18623
UDIN: A007219B000365995
Place: Mumbai
Dated: 22-Jun-2020

Declaration On Compliance With Code Of Conduct For Directors And Senior Management

To
The Members
Praxis Home Retail Limited
Mumbai

I hereby declare that pursuant to Reg. 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their compliances with the Company’s Code of Conduct for Directors and Senior Management during the year ended March 31, 2020.

For **Praxis Home Retail Limited**

Place: Mumbai
Date: June 29, 2020

Viraj Didwania
Chairman & Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

PRAXIS HOME RETAIL LIMITED

iThink Techno Campus, Jolly Board Tower-D, Ground Floor,

Kanjurmarg (East), Mumbai – 400042.

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. VIRAJ DIDWANIA	02412474	12-10-2017
2	Mr. SIVAPRAKASAM SUBRAMANIAN	00092215	12-12-2017
3	Mr. SHRIRANG KISANLAL SARDA	00576667	12-12-2017
4	Ms. SRIDEVI BADIGA	02362997	12-12-2017
5	Mr. PANKAJ BHARGAVA	02685275	12-12-2017
6	Mr. SHANTANU CHANDRAVADAN SHAH	07012322	12-12-2017

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

I have to report that due to prevailing conditions of COVID-19 in the Country, I could not carry out the physical inspection of the records maintained by the Company. I have relied upon the records in digital mode as made available by the Company. I have also relied upon the explanation furnished by the Company and its Directors.

Name: ANANT GUDE

Firm: ANANT GUDE & ASSOCIATES

Membership No.: ACS No.7219 / CP No.: 18623

UDIN: A007219B000366017

Place: Mumbai

Date: 22-Jun-2020

Independent Auditors' Report

To the Members of Praxis Home Retail Limited Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Praxis Home Retail Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020; and its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 43 of the financial statements, wherein the Company's networth is eroded due to losses incurred during the year as well as previous year, which indicate a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. However, for the reasons more fully described in the aforesaid note the accounts of the Company have been prepared as a Going Concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 46 of the financial statements, as regards to the management evaluation of impact of COVID - 19 on the future performance of the Company. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditors' Report (Contd.)

Key Audit Matter	How our audit addressed the key audit matter
<p>Valuation of Inventories</p> <p>As of March 31, 2020, the Company total inventory balance amounted to ₹ 17,605.86 Lakhs, representing 71% of the total current assets of the financial statement and 28% of the total assets of the Company.</p> <p>Refer Note 7 of the financial statements.</p> <p>For accounting principles and relevant accounting policy on inventory refer Note 2.12 to the financial statements.</p> <p>The Company is exposed to risk of slow-moving and/or obsolete inventory as a result of seasonal/festival demand for products. Significant judgment is required for the estimation of the net realisable value and allowance for slow-moving and obsolete inventories. Such estimation is made after taking into consideration factors such as movement in price, current and expected future market demand and pricing competition.</p> <p>As such, we determined that this is a key audit matter.</p>	<p>Obtained Store/Warehouse wise list of the item from the management as at March 31, 2020.</p> <p>Obtained the Physical Verification report done by the stock auditor of the Company for different location for various cut off periods.</p> <p>We evaluated the appropriateness of the basis and processes used by management in determining the net realisable value of inventories.</p> <p>We obtained inventory reports for calculation of the shrinkage provision of various stores /warehouse from management performed by the stock auditor where he witnessed the controls in place around recording the volume of shrinkage.</p> <p>We also evaluated the assumptions and estimates used by the management in determining the provision for slow and non-moving inventory</p>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, and Shareholder's Information and Corporate governance Report, but does not include the financial statements and our auditor's report thereon.

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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the financial statements

The Company's Management and Board of Directors are 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, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern,

Independent Auditors' Report (Contd.)

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.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report

Independent Auditors' Report (Contd.)

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of change in equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Act.
 - f) The going concern matter described in Material Uncertainty Related to Going Concern Section and Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- h) With respect to the other matters to be included in the Auditor's Report in accordance with 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in note 41 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 for the year ended March 31, 2020.

For Pathak H. D. & Associates LLP

Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah

Partner

Membership No. 119303
UDIN: 20119303AAAADM3342

Place: Mumbai
Date: June 29, 2020

Annexure A to Independent Auditors' Report

Referred to in Independent Auditors' Report of even date to the members of Praxis Home Retail Limited on the financial statements as of and for the year ended March 31, 2020

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) As informed to us, the fixed assets are physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) The Company does not have any immovable property; hence the provisions of the clause 3(i)(c) of the said Order is not applicable to the Company.
- (ii) In our opinion the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, the discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, limited liability partnerships or other party covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3(iii) (a), (b) & (c) of the Order are not applicable.
- (iv) According to the records examined by us and according to the information and explanation given to us, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of Clause 3(v) of the said Order is not applicable to the Company.
- (vi) In our opinion and according to the information given to us, no cost records have been prescribed by the Central Government of India under sub section (1) of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, goods and service tax, customs duty, excise duty, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records examined by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, customs duty, sales tax, value added tax, excise duty, goods and service tax, cess and other material statutory dues as applicable were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax, sales tax, customs duty, excise duty and value added tax as at March 31, 2020 which have not been deposited on account of a dispute except for income tax dues for the following:

Name of the statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which it relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	34.13	AY 2018-19	CIT (Appeals), Mumbai
Income Tax Act, 1961	Income tax	50.72	AY 2019-20	CIT (Appeals), Mumbai
Income Tax Act, 1961	Income tax	28.96	AY 2020-21	CIT (Appeals), Mumbai

Annexure A to Independent Auditors' Report (Contd.)

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institutions or banks and in payment of dues to the debenture holders except for the default in repayment of interest amounting to ₹ 70.84 Lakhs pertaining loan facility availed from Bajaj Finance Limited outstanding as on March 31, 2020. The period of default ranges between 33 days to 68 days. The said dues were subsequently paid on April 2, 2020 and May 7, 2020.

The Company did not have any loans or borrowings from government during the year.

(ix) In our opinion and according to the information and explanation given to us during the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments). However, during the year the Company has availed term loans which were applied for the purpose it was obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provision of the clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of related party transactions as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, have been disclosed in the financial statements.

(xiv) In our opinion and according to the information and explanation given to us, during the year, the Company has made preferential allotment of Compulsorily Convertible Debentures in accordance with the provisions and requirements of Section 42 of the Act and the Rules framed thereunder. The Company has not made private placement of equity shares or fully or partly convertible Preference Shares during the year.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors.

(xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Pathak H. D. & Associates LLP

Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah

Partner
Membership No. 119303
UDIN: 20119303AAAADM3342

Place: Mumbai
Date: June 29, 2020

Annexure 'B' to the Independent Auditors'

Report of even date on the financial statements of Praxis Home Retail Limited

(Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Control with reference to financial statements of **Praxis Home Retail Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements (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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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

Annexure – B to Auditor’s report (Contd.)

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Pathak H. D. & Associates LLP

Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah

Partner
Membership No. 119303
UDIN: 20119303AAAADM3342

Place: Mumbai
Date: June 29, 2020

Balance Sheet as at March 31, 2020

Particulars	Note No.	(₹ in Lakh)	
		As at March 31, 2020	As at March 31, 2019
ASSETS			
1. Non-Current Assets			
Property, Plant and Equipment	3	72.43	114.51
Right-of-use Assets	33(a)	26,959.22	-
Other Intangible Assets	4	45.66	64.49
Financial Assets			
Loans	5	10,517.93	10,414.05
Other Non-Current Assets	6(a)	-	0.77
Advance Tax Assets	6(b)	25.46	84.12
Total Non-Current Assets		37,620.70	10,677.94
2. Current Assets			
Inventories	7	17,605.86	19,771.05
Financial Assets			
Trade Receivables	8	2,010.20	1,574.02
Cash and Cash Equivalents	9(a)	603.96	1,374.10
Bank Balance other than Cash and Cash Equivalents above	9(b)	3.31	3.31
Loans	5	2,323.57	2,252.76
Other Financial Assets	10	-	4.10
Other Current Assets	6(a)	2,342.81	2,697.46
Total Current Assets		24,889.71	27,676.80
Total Assets		62,510.41	38,354.74
Equity And Liabilities			
Equity			
Equity Share Capital	11	1,381.66	1,231.66
Instruments entirely Equity in Nature	12	4,320.00	-
Other Equity	13	(1,950.51)	3,079.67
Total Equity		3,751.15	4,311.33
Liabilities			
1. Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	499.73	458.37
Lease Liabilities	33(b)	21,592.08	-
Provisions	15	541.71	287.90
Total Non-Current Liabilities		22,633.52	746.27
2. Current Liabilities			
Financial Liabilities			
Borrowings	16	8,669.62	2,334.32
Trade Payables	17		
Total Outstanding dues of Small and Micro Enterprises		1,019.95	2.87
Total Outstanding dues of Creditors other than Small and Micro Enterprises		12,980.65	25,653.61
Lease Liabilities	33(b)	7,155.28	-
Other Financial Liabilities	18	653.37	607.10
Other Current Liabilities	19	5,605.20	4,676.30
Provisions	15	41.67	22.94
Total Current Liabilities		36,125.74	33,297.14
Total Equity and Liabilities		62,510.41	38,354.74

The accompanying notes 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 Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Viraj Didwania
Chairman & Managing Director
DIN 02412474

Sridevi Badiga
Director
DIN 02362997

S. Subramanian
Director
DIN 00092215

Vishal D. Shah
Partner
Membership No.: 119303

Pankaj Bhargava
Director
DIN 02685275

Shrirang Sarda
Director
DIN 00576667

Shantanu Shah
Director
DIN 07012322

Place : Mumbai
Date : June 29, 2020

Anil Chandak
Chief Financial Officer
Membership No.: 060916

Smita Chowdhury
Company Secretary & Compliance Officer
Membership No.: A30227

Statement of Profit and Loss for the year ended March 31, 2020

(₹ in Lakh)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue From Operations	20	70,277.39	68,280.56
Other Income	21	95.36	107.40
Total Income		70,372.75	68,387.96
Expenses			
Purchase of Stock-In-Trade		41,665.80	41,543.03
Change in Inventories of Stock-In-Trade (Increase)/Decrease	22	2,165.20	(1,281.70)
Employee Benefits Expense	23	8,724.04	8,142.13
Rent including Lease Rentals		3,956.93	10,114.28
Finance Costs	24	4,006.97	320.62
Depreciation and Amortization Expense	3 & 4	5,690.00	41.20
Impairment of Goodwill	4	-	61.16
Other Expenses	25	12,236.27	12,057.06
Total Expenses		78,445.21	70,997.78
Loss Before Tax		(8,072.46)	(2,609.82)
Tax Expense			
	35		
-Current Tax		-	-
-Deferred Tax Charge/(Credit)		-	83.95
-Earlier year's tax		1.37	-
Loss For The Year		(8,073.83)	(2,693.77)
Other Comprehensive Income			
Items that will not be reclassified to statement of profit and loss			
(a) Remeasurements of Defined benefit plans- (Gain)/Loss	29	137.15	15.12
(b) Income Tax relating to above		-	-
Other Comprehensive (Income)/Loss For The Year		137.15	15.12
Total Comprehensive Income/(Loss) For The Year		(8,210.98)	(2,708.90)
Earnings Per Equity Share of Face Value of ₹ 5/- each			
	31		
Basic		(32.24)	(10.94)
Diluted		(32.24)	(10.94)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No.: 119303

Place : Mumbai
Date : June 29, 2020

Viraj Didwania
Chairman & Managing Director
DIN 02412474

Pankaj Bhargava
Director
DIN 02685275

Anil Chandak
Chief Financial Officer
Membership No.: 060916

For and on behalf of Board of Directors

Sridevi Badiga
Director
DIN 02362997

Shrirang Sarda
Director
DIN 00576667

Smita Chowdhury
Company Secretary & Compliance Officer
Membership No.: A30227

S. Subramanian
Director
DIN 00092215

Shantanu Shah
Director
DIN 07012322

Statement of Cash Flow for the year ended March 31, 2020

(₹ in Lakh)

Sr No.	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A	Cash Flows From Operating Activities		
	Profit / (Loss) Before Tax	(8,072.46)	(2,609.82)
	Adjustments For:		
	Depreciation and Amortization Expense	5,690.00	41.20
	Provision for Gratuity and Leave Encashment	272.54	68.04
	Finance Costs	3,965.61	282.78
	Unwinding Interest on Financial Instrument at Amortised Cost	41.36	37.84
	Unrealised Exchange (Gain)/Loss	10.92	(35.63)
	Interest income on Income Tax Refund	(1.47)	-
	Employee stock option expenses	150.81	2.09
	Provision for Doubtful Debts and Advances	189.36	-
	Loss on disposal/write off of fixed assets	-	27.14
	Impairment of Goodwill	-	61.16
	Loss on Damaged/Shrinkage and Obsolete Inventory	339.64	276.14
	Cash Generated from / (Used in) before Working Capital Changes	2,586.30	(1,849.04)
	Adjustments For:		
	Trade Receivables	(511.15)	(867.78)
	Loans, Other Financial Assets and Other Assets	329.34	(189.34)
	Inventories	1,825.56	(1,557.85)
	Trade Payables	(12,079.88)	3,031.19
	Other Financial Liabilities, Other Liabilities and Provisions	153.97	1,411.56
	Cash Generated from / (Used in) Operations	(7,695.85)	(21.26)
	Income Tax Refund/(Paid)	(25.46)	(72.21)
	Net Cash Flows Generated from / (Used in) Operating Activities	(7,721.30)	(93.47)
B	Cash Flows From Investing Activities		
	Payment for Purchase of Property, Plant and Equipment and Intangible Assets (Including Capital Advances & Net of Capital Creditors)	(86.58)	(102.12)
	Amount paid towards security deposits	(174.70)	(305.89)
	Net Cash flow Generated from / (Used In) Investing Activities	(261.28)	(408.01)

Statement of Cash Flow for the year ended March 31, 2020 (Contd.)

(₹ in Lakh)

Sr No.	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
C	Cash Flows From Financing Activities		
	Proceeds from Short term Borrowings (Net)	6,335.31	1,663.06
	Proceeds from Issue of Compulsory Convertible Debentures	7,500.00	-
	Payment of Lease Liability (Included ₹ 3,107.28 lakhs on Unwinding Interest of Lease Liabilities)	(5,885.95)	-
	Interest Paid	(736.90)	(246.63)
	Net Cash flow Generated from / (Used In) Financing Activities	7,212.46	1,416.43
	Net (Decrease) / Increase In Cash and Cash Equivalents	(770.12)	914.95
	Net (Decrease) / Increase In Cash and Cash Equivalents	(770.12)	914.95
	Cash and Cash Equivalents (Opening Balance)	1,374.10	459.15
	Cash and Cash Equivalents (Closing Balance)	603.96	1,374.10
	Components of Cash and Cash Equivalents {Refer Note No.9(a)}	603.96	1,374.10

Note:

- 1) The accompanying notes are an integral part of the financial statements.
- 2) Changes arising from financing activities refer Note no. 36
- 3) Previous years' figures have been regrouped/rearranged wherever necessary

As per our report of even date attached

For and on behalf of Board of Directors

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Viraj Didwania
Chairman & Managing Director
DIN 02412474

Sridevi Badiga
Director
DIN 02362997

S. Subramanian
Director
DIN 00092215

Vishal D. Shah
Partner
Membership No.: 119303

Pankaj Bhargava
Director
DIN 02685275

Shrirang Sarda
Director
DIN 00576667

Shantanu Shah
Director
DIN 07012322

Place : Mumbai
Date : June 29, 2020

Anil Chandak
Chief Financial Officer
Membership No.: 060916

Smita Chowdhury
Company Secretary & Compliance Officer
Membership No.: A30227

Statement of Change in Equity for the year ended March 31, 2020

(A) Equity Share Capital

Particulars	(₹ in Lakh)
Balance as on March 31, 2018	1,231.66
Changes in Equity Share Capital	-
Balance as on March 31, 2019	1,231.66
Issued during the year - Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note no. 45)	150.00
Balance as on March 31, 2020	1,381.66

(B) Instruments entirely Equity in Nature

0.01% Compulsorily Convertible Debentures	(₹ in Lakh)
Balance as on March 31, 2018	-
Changes during the year	-
Balance as on March 31, 2019	-
Issued during the Year	7,500.00
Less : Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note no. 45)	(3,180.00)
Balance as on March 31, 2020	4,320.00

(C) Other Equity

Particulars	Retained Earnings	Security Premium	Capital Redemption Reserve	Capital Reserve	Share- Based Payment Reserve (Refer Note No. 30)	Total
Balance as at March 31, 2018 (A)	(2,186.85)	-	5.00	7,968.34	-	5,786.49
Loss for the year	(2,693.77)	-	-	-	-	(2,693.77)
Re-measurement (Gain)/Loss on Defined Benefit Plans	15.12	-	-	-	-	15.12
Total Comprehensive Income For The Year (B)	(2,708.92)	-	-	-	-	(2,708.92)
Addition during the year (C)	-	-	-	-	2.09	2.09
Balance as at March 31, 2019 (D = A + B + C)	(4,895.76)	-	5.00	7,968.34	2.09	3,079.67
Loss for the year	(8,073.83)	-	-	-	-	(8,073.83)
Re-measurement (Gain)/Loss on Defined Benefit Plans	137.15	-	-	-	-	137.15
Total Comprehensive Income For The Year (E)	(8,210.98)	-	-	-	-	(8,210.98)
Addition during the year (F)	-	-	-	-	150.81	150.81

Statement of Change in Equity for the year ended March 31, 2020 (contd.)

(C) Other Equity

(₹ in Lakh)

Particulars	Retained Earnings	Security Premium	Capital Redemption Reserve	Capital Reserve	Share- Based Payment Reserve (Refer Note No. 30)	Total
Addition during the year - Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note no. 45)(G)	-	3,030.00	-	-	-	3,030.00
Balance as at March 31, 2020 (H = D + E + F + G)	(13,106.74)	3,030.00	5.00	7,968.34	152.90	(1,950.51)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No.: 119303

Place : Mumbai
Date : June 29, 2020

Viraj Didwania
Chairman & Managing Director
DIN 02412474

Pankaj Bhargava
Director
DIN 02685275

Anil Chandak
Chief Financial Officer
Membership No.: 060916

For and on behalf of Board of Directors

Sridevi Badiga
Director
DIN 02362997

Shrirang Sarda
Director
DIN 00576667

Smita Chowdhury
Company Secretary & Compliance Officer
Membership No.: A30227

S. Subramanian
Director
DIN 00092215

Shantanu Shah
Director
DIN 07012322

Notes to the financial statements for the year ended March 31, 2020

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 Indian Companies Act, 1956. The registered office of the Company is located at iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (E), Mumbai – 400 042, India.

These financial statements of the Company for the year ended March 31, 2020 were authorized for issue by the board of directors on June 29, 2020. Pursuant to the provisions of section 130 of the Act, the Central Government, Income tax authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the board of directors of the Company have powers to amend / re-open the financial statements approved by the board / adopted by the members of the Company.

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.

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

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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

Effective from April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method.

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.

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.

The Company operates a loyalty programme for the customers for the sale of goods. The customers accumulate points for purchases made which entitles them to redeem the same on future purchases. A contract liability for the reward points is recognized at the time of the sale. The expenditure of loyalty programme is netted-off to revenue.

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.

2.6 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.

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.

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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

The residual values and useful lives 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.

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.

2.7 Intangible Assets

Intangible assets are stated at acquisition cost and other cost 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 are as follows:-

Assets	Useful life of asset
Software other than Customer Database	10 years
Customer Database	5 years
Brand, Trademarks and others	10 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.

2.8 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.

2.9 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

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

- 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.

2.10 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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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 no. 26) and Quantitative disclosures of fair value measurement hierarchy (Refer note no. 26).

2.11 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.

2.12 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, conversion 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.

2.13 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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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.

2.14 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.

2.15 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.

2.16 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

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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 is disclosed where an inflow of economic benefit is probable.

2.17 Foreign currency transactions

a) Functional and presentation currency

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.

2.18 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.

2.19 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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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.

2.20 Employee benefit

(i) Short Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as short term employee benefit obligations in the balance sheet

(ii) Post-Employment Benefits

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and
- (b) defined contribution plans such as provident fund, superannuation fund etc.

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. Superannuation plan, a defined contribution scheme is administered by IRDA approved Insurance Companies.

(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

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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.

2.21 Share-Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Refer note no. 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.

2.22 Cash Flow Statement

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.

2.23 Leases

Ind AS 116 Leases was notified by MCA on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. 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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

Where the Company is the lessee:

The Company's lease asset classes primarily consists of leases for stores taken on lease. The Company assesses whether a contract contains a lease, at inception of a contract. 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 term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on straight-line basis over the lease term. The lease liability is initially measured at amortised cost at the present value of the future lease payments.

Transition

The Company has adopted modified retrospective approach as per para C8(c)(ii) of Ind AS 116 - Leases to its leases, effective from annual reporting period beginning April 1, 2019. This has resulted in recognizing a right of use assets an amount equal to the lease liability of ₹ 31,456.44 lakhs as at April 1, 2019.

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.

2.24 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.

2.25 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.

2.26 Warranty Costs

Costs of warranty include the cost of labour, material and related overhead necessary to repair a product during the warranty period. The

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

warranty period is usually 1 to 3 years. Cost related to warranty are expensed in the period in which they are incurred.

2.27 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.

2.28 Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification of any standard or amendment which was notified and would have been applicable from April 1, 2020.

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 no. 35 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 (2012-14) 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 no. 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 past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Refer note no. 27 on financial risk management where credit risk and related impairment disclosures are made.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

3. Property, Plant and Equipment

(₹ in Lakh)

Particulars	Plant and Equipment	Office Equipment	Furniture and Fixture	Computers	Total
Gross Carrying Amount					
As At March 31, 2018	0.90	19.12	13.39	10.79	44.20
Additions	-	12.14	-	118.51	130.65
Disposals/Written Off	0.90	19.12	13.39	10.79	44.20
As At March 31, 2019	-	12.14	-	118.51	130.65
Additions	-	0.78	-	18.83	19.61
As At March 31, 2020	-	12.92	-	137.34	150.26
Accumulated Depreciation and Impairment					
As At March 31, 2018	0.29	13.31	6.23	1.49	21.32
Depreciation	0.11	3.49	1.93	14.81	20.34
Disposals/Written Off	0.40	15.47	8.16	1.49	25.52
As At March 31, 2019	-	1.33	-	14.81	16.14
Depreciation	-	4.30	-	57.39	61.69
Disposals/Written Off	-	-	-	-	-
As At March 31, 2020	-	5.63	-	72.20	77.83
Net Carrying Value					
As At March 31, 2019	-	10.82	-	103.70	114.52
As At March 31, 2020	-	7.29	-	65.14	72.43

4. Other Intangible Assets

(₹ in Lakh)

Particulars	Brand / Trademark and others	Computer Software	Goodwill	Total	Intangible Assets Under Development
Gross Carrying Amount					
As At March 31, 2018	23.01	65.76	61.16	149.93	1.12
Additions	-	44.27	-	44.27	-
Disposals/Written Off	23.01	10.76	-	33.77	1.12
Impairment	-	-	61.16	61.16	-
As At March 31, 2019	-	99.27	-	99.27	-
Additions	-	1.39	-	1.39	-
As At March 31, 2020	-	100.66	-	100.66	-

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(₹ in Lakh)

Particulars	Brand / Trademark and others	Computer Software	Goodwill	Total	Intangible Assets Under Development
Accumulated Amortization and Impairment					
As At March 31, 2018	9.15	31.19	-	40.34	-
Amortisation expense	7.17	13.69	-	20.86	-
Disposals/Transfer	16.32	10.10	-	26.42	-
As At March 31, 2019	-	34.78	-	34.78	-
Amortisation expense	-	20.22	-	20.22	-
Disposals/Transfer	-	-	-	-	-
As At March 31, 2020	-	55.00	-	55.00	-
Net Book Value					
As At March 31, 2019	-	64.49	-	64.49	-
As At March 31, 2020	-	45.66	-	45.66	-

Notes:-

- (1) Intangible assets are other than internally generated
(2) Balance Useful life of Intangible assets - 3 to 5 years

5. Financial Assets - Loans

(₹ in Lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
Unsecured, Considered Good, Unless Otherwise Stated				
Security Deposits	2,323.57	10,517.93	2,252.76	10,414.05
Total	2,323.57	10,517.93	2,252.76	10,414.05

6. (a) Other Assets

(₹ in Lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
Unsecured, Considered Good, Unless Otherwise Stated				
Advance to Suppliers	1,231.89	-	613.23	-
Capital Advances	-	-	-	0.77
Advance to Employees	14.04	-	15.61	-
Prepaid Expenses	98.05	-	49.92	-
Income Tax Refund Receivable	66.03	-	-	-
Balances with Statutory Authorities - Considered good	932.80	-	2,102.82	-
Balances with Statutory Authorities - Considered Doubtful	217.73	-	103.60	-
	2,560.54	-	2,885.18	0.77
Less : Provision for doubtful advances	(217.73)	-	(103.60)	-
Total	2,342.81	-	2,781.58	0.77

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

6. (b) Advance Tax Assets

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
TDS Receivable	25.46	84.12
Total	25.46	84.12

7. Inventories

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Stock-in-Trade	17,537.11	19,565.10
Packing Materials and Others	178.58	205.95
Less : Provision for Obsolete Inventory and Shrinkage	(109.83)	-
Total Inventories	17,605.86	19,771.05

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

During the year, an amount of ₹ 229.81 Lakhs (March 31, 2019 : ₹ 276.14 lakhs) was charged to the statement of Profit and Loss on account of Inventory Shrinkage/Damage.

8. Trade Receivables

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good unless otherwise stated		
Considered Good	2,010.20	1,574.02
Credit Impaired	74.97	-
	2,085.17	1,574.02
Less : Allowance for doubtful debts	(74.97)	-
Total	2,010.20	1,574.02

9. (a) Cash and Cash Equivalents

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
On Current Accounts	547.22	1,249.89
Cheques on Hand	27.78	-
Cash on Hand	28.96	124.21
Total	603.96	1,374.10

9. (b) Bank Balance other than Cash and Cash Equivalents above

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid Share Money (Refer Note No. 38)	3.31	3.31
Total	3.31	3.31

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

10. Other Financial Assets

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Forward Contract Receivable	-	4.10
Total	-	4.10

11. Equity Share Capital

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Authorised		
3,54,00,000 equity shares of ₹ 5 each (March 31, 2019: 3,54,00,000 equity shares of ₹ 5 each)	1,770.00	1,770.00
Issued		
2,76,38,426 equity shares of ₹ 5 each (March 31, 2019: 2,46,38,426 equity shares of ₹ 5 each)	1,381.92	1,231.92
Subscribed and Paid up		
2,76,33,208 equity shares of ₹ 5 each (March 31, 2019: 2,46,33,208 equity shares of ₹ 5 each)	1,381.66	1,231.66

(i) Reconciliation of Number of Equity Shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	₹ in lakh	Number of Shares	₹ in lakh
Opening Balance of Equity Shares of ₹ 5/- each (Refer Note No 37)	2,46,38,426	1,231.92	2,46,38,426	1,231.92
Add: Issue of Equity Shares of ₹ 5/- each pursuant to conversion of Compulsorily Convertible Debentures	30,00,000	150.00	-	-
Total Shares issued	2,76,38,426	1,381.92	2,46,38,426	1,231.92
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	2,76,33,208	1,381.66	2,46,33,208	1,231.66

(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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(iv) Details of Shares pledged

Particulars	As at March 31, 2020	As at March 31, 2019
No. of Shares pledged by promoters	-	35,74,158
No. of Shares under Locked in	1,46,82,558	47,13,382

(v) Out of the total subscribed shares, 5,034 shares are still unclaimed by the share holders as at March 31, 2020.

(vi) Shares in the Company held by each shareholder holding more than 5 % shares and number of Shares held are as under:

(₹ in Lakh)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Future Corporate Resources Private Limited (formerly known as Suhani Trading and Investment Consultants Private Limited)	1,46,82,558	53.13	1,16,82,558	47.43
Bennett, Coleman & Company Limited and PACs	23,13,861	8.37	23,13,861	9.39
Surplus Finvest Private Limited	22,04,243	7.98	22,04,243	8.95
Mangal Bhansali & PACs	14,69,228	5.32	14,69,228	5.96

(vii) Aggregate number of shares without payment being received in cash during the period of five years immediately preceding the reporting date - 2,46,38,426 (March 31, 2019 - 2,46,38,426)

12. Instruments entirely Equity in Nature

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
0.01% Compulsorily Convertible Debentures (in nature of Equity) face value of ₹ 1,00,000/- each. (Refer Note no. 45)		
Opening Balance	-	-
Issued during the Year	7,500.00	-
Less: Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares	(3,180.00)	-
Closing Balance	4,320.00	-

Terms of the 0.01% Unsecured Compulsorily Convertible Debentures (CCD):

- 1) The tenor of Compulsorily Convertible Debentures is upto 18 months from the date of allotment, however the CCD can be converted into Equity Shares at the option of the investor at any time after allotment subject to necessary approval.
- 2) The Compulsorily Convertible Debentures are Non-Marketable.
- 3) The coupon rate is 0.01% per annum.
- 4) Conversion price - Each CCD shall be convertible into Equity Shares of face value of ₹ 5/- each, fully paid up of the Company, in one or more tranches at a conversion price of ₹106/- per equity share comprising of premium of ₹101/- per equity share.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

13. Other Equity

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at 31 st March, 2019
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	-	-
Pursuant to the Conversion of Compulsorily Convertible Debentures into Equity Shares (Refer Note no. 45)	3,030.00	-
Closing Balance	3,030.00	-
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	2.09	-
Addition During The Year	150.81	2.09
Closing Balance	152.90	2.09
Retained Earnings		
Opening Balance	(4,895.76)	(2,186.85)
Loss For The Year	(8,073.83)	(2,693.77)
Other Comprehensive (Income)/Loss For The Year		
Re-measurement (Gain)/Loss on Defined Benefit Plans	137.15	15.12
Income Tax relating to above	-	-
Closing Balance	(13,106.74)	(4,895.76)
Total	(1,950.51)	3,079.67

Nature and Purpose of Reserves:

a) Capital Reserve

During the financial year ended March 31, 2018, the capital reserve of ₹ 7968.34 Lakhs recognised due to demerger of retail hometown division, pursuant to the composite scheme of arrangement with Future Retail Limited. (Refer Note No. 37)

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. (Refer Note No. 37)

c) Security Premium

During the financial year ended March 31, 2020, security premium is created to record premium received on issue of shares. The Reserve is utilised in accordance with the provision of the Companies Act, 2013.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

14. Non-Current Financial Liabilities - Borrowings

(₹ in Lakh)

Particulars	As at	
	March 31, 2020	March 31, 2019
Unsecured		
Preference Shares*	499.73	458.37
<p>*6,30,000 non-cumulative redeemable preference shares of ₹ 100/- each, bearing coupon rate of 9% p.a. non-cumulative, were allotted to the eligible shareholders of Bluerock eServices Private Limited on December 8, 2017 (Refer Note No. 37) Repayment Terms - The preference shares are to be redeemed at the end of 60 months from the date of allotment and the Company will have the option to redeem the preference shares at any time after the expiry of 24 months from the date of allotment.</p>		
Total	499.73	458.37

15. Non-Current Liabilities - Provisions

(₹ in Lakh)

Particulars	As at		As at	
	March 31, 2020		March 31, 2019	
	Current	Non-Current	Current	Non-Current
Provision for Employee Benefits				
Gratuity	22.19	361.30	11.21	183.82
Compensated Absences	19.48	180.41	11.73	104.08
Total	41.67	541.71	22.94	287.90

16. Current Financial Liability-Borrowing

(₹ in Lakh)

Particulars	As at	
	March 31, 2020	31 st March, 2019
Secured		
Loans from Banks		
Working Capital Loan	482.47	493.80
Letter of Credit	1,387.15	1,840.52
Loan from Others	6,800.00	-
Total	8,669.62	2,334.32

Security:

- (A) Working Capital Loan from Bank is secured on Current Assets of Future Retail Limited.
- (B) Letter of Credit is secured against exclusive charge over the Current Assets and Movable Fixed Assets (both present and future) of the Company and personal guarantee of the Promoter.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

- (C) Loan from Others is secured by way of pari passu charge on the current assets both present and future of the Company with RBL Bank Limited with a clause to route 2/3rd of card sales of the Company through Escrow account of lender.
- (D) The Company has availed moratorium pertaining to Letter of Credit facility from RBL Bank amounting to ₹ 109.70 Lakhs which were due for payment during the month of March 31, 2020.

17. Trade Payables

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Outstanding dues of Small and Micro Enterprises	1,019.95	2.87
Total Outstanding dues of Creditors other than Small and Micro Enterprises	12,980.65	25,653.62
Total	14,000.60	25,656.49

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due to suppliers as at the year end	1,019.95	2.87
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	25.56	-
Payment made to suppliers (other than interest) beyond the appointed date under Section 16 of MSMED	-	-
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	-	-
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	25.56	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	25.56	-
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	25.56	-

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

18. Other Financial Liabilities-Current

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Salary and Employee benefits payable	520.65	530.22
Unclaimed Share Money on Fraction Shares	3.31	3.31
Interest accrued on borrowings	121.42	-
Creditors for Capital Expenditure	7.99	73.57
Total	653.37	607.10

The Company has not paid interest dues amounting to ₹70.84 Lakhs pertaining to Bajaj Finance Limited outstanding as on March 31, 2020. The period of default ranges between 33 days to 68 days. The said dues were subsequently paid on April 2, 2020 and May 7, 2020. The Company has availed moratorium for the interest dues of ₹ 50.42 lakhs for the month of March 2020.

19. Other Current Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances From Customers	3,477.27	3,144.95
Statutory dues payable	354.56	373.48
Other Payables	1,773.37	1,157.87
Total	5,605.20	4,676.30

20. Revenue From Operations

(₹ in Lakh)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Sale of Products	70,121.09	67,988.16
Other Operating Income		
- Commission Income	118.90	135.59
- Income from Business Auxiliary Services	19.93	70.84
- Other Income	17.47	85.96
Total	70,277.39	68,280.56

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

21. Other Income

(₹ in Lakh)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Income from sale of Scrap	62.24	84.45
Interest on Income Tax Refund	4.02	-
Parking Income	5.15	5.63
Insurance claim received	4.19	-
Other Miscellaneous Income	19.76	17.32
Total	95.36	107.40

22. Changes In Inventories of Stock-In-Trade

(₹ in Lakh)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Opening Inventories		
Stock-In-Trade	19,771.05	18,489.35
Closing Inventories		
Stock-In-Trade	17,605.86	19,771.05
Total	2,165.20	(1,281.70)

23. Employee Benefits Expense

(₹ in Lakh)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries, Wages and Bonus	7,583.19	7,275.21
Contribution to Provident and Other Fund (Refer Note No. 29)	470.94	346.60
Employee Stock Option Expense (Refer Note No. 30)	150.81	2.09
Gratuity (Refer Note No. 29)	76.80	56.38
Staff Welfare Expenses	442.31	461.85
Total	8,724.04	8,142.13

24. Finance Costs

(₹ in Lakh)		
Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Borrowings	686.73	165.07
Unwinding Interest on Lease Liability	3,107.28	-
Unwinding Interest on Financial Instrument at Amortised Cost	41.36	-
Other Finance Costs	171.60	155.55
Total	4,006.97	320.62

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

25. Other Expenses

Particulars	(₹ in Lakh)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Consumption of Stores & Spares	294.97	289.88
Power & Fuel	1,835.65	1,958.66
Repairs and Maintenance	168.98	147.20
Insurance	37.63	34.01
Rates and Taxes	136.31	228.33
Communication Expenses	171.06	135.86
Travelling & Conveyance	509.57	672.62
Printing & Stationery	108.84	131.44
Advertisement and Marketing	2,775.98	2,982.69
Inventory Shrinkage/Damage	229.81	276.14
Provision for Obsolete Inventory and Shrinkage	109.83	-
Legal & Professional	1,623.93	1,302.38
House Keeping Charges	383.04	356.52
Security Service Charges	294.16	282.24
Loss on Disposal/Written off of Fixed Assets	-	27.14
Loss on Foreign Currency translation or transactions	71.00	187.65
Subvention and Credit Card Charges	2,590.02	2,470.59
Bank Charges	111.66	126.17
Provision for Doubtful Debts/Advances	189.36	-
Miscellaneous Expenses	594.47	447.54
Total	12,236.27	12,057.07

26. Fair value measurements:

(a) Financial instruments by category

Particulars	(₹ in Lakh)	
	As at March 31, 2020 Amortized Cost	As at March 31, 2019 Amortized Cost
Financial assets		
Trade Receivables	2,010.20	1,574.02
Cash and cash equivalents	603.96	1,374.10
Bank Balance other than Cash and Cash Equivalents above	3.31	3.31
Loans-Security Deposits	12,841.50	12,666.80
Other financial assets	-	4.10
Total financial assets	15,458.97	15,622.33
Financial liabilities		
Borrowings	9,169.35	2,792.68
Lease Liabilities	28,747.35	-
Trade payables	14,000.60	25,656.47
Other financial liabilities	653.37	607.10
Total financial liabilities	52,570.67	29,056.25

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(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 amortised cost for which fair values are disclosed as at March 31, 2020

(₹ in Lakh)				
Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	12,841.50	12,841.50
Total financial assets	-	-	12,841.50	12,841.50
Financial Liabilities				
Borrowings	-	9,169.35	-	9,169.35
Total financial liabilities	-	9,169.35	-	9,169.35

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2019

(₹ in Lakh)				
Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	12,666.80	12,666.80
Total financial assets	-	-	12,666.80	12,666.80
Financial Liabilities				
Borrowings	-	2,792.68	-	2,792.68
Total financial liabilities	-	2,792.68	-	2,792.68

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 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. This is the case for long term borrowings which is included in this level.

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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(d) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of 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 primarily trade receivable amounting to ₹ 2,010.20 Lakhs, and ₹ 1,574.02 Lakhs as on March 31, 2020 and March 31, 2019 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 Lakh)			
March 31, 2020	Less than 1 year	More than 1 Year	Total
Interest bearing borrowings*	9,329.58	630.00	9,959.58
Trade Payables	14,000.60	-	14,000.60
Lease Liabilities	8,284.44	36,748.16	45,032.60
Other Financial Liabilities	653.37	-	653.37
Total	32,267.99	37,378.16	69,646.15

(₹ in Lakh)			
March 31, 2019	Less than 1 year	More than 1 Year	Total
Interest bearing borrowings*	2,384.76	630.00	3,014.76
Trade Payables	25,656.47	-	25,656.47
Lease Liabilities	-	-	-
Other Financial Liabilities	607.10	-	607.10
Total	28,648.33	630.00	29,278.33

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

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(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 Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Variable Rate Borrowings	8,669.62	2,334.32
Fixed Rate Borrowings	499.73	458.37
Total	9,169.35	2,792.69

(ii) Sensitivity Analysis

Profit or Loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates.

(₹ in Lakh)		
Impact on Profit/(Loss) after tax	As at March 31, 2020	As at March 31, 2019
Interest rates increase by 100 basis points	86.70	23.34
Interest rates decrease by 100 basis points	(86.70)	(23.34)

(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 Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payable		
US Dollar (USD)	20.08	1.33
EURO	0.21	0.10

A 5% strengthening in USD and EURO will decrease the profit for the year by ₹ 76.48 Lakhs (March 31, 2019 - ₹ 5.33 Lakhs) and a 5% weakening in USD and EURO will increase the profit for the year by ₹ 76.48 Lakhs (March 31, 2019 - ₹ 5.33 Lakhs). In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

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 plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	9,169.35	2,792.68
Less: Cash and Cash Equivalents	603.96	1,374.10
Net Debt	8,565.41	1,418.58
Equity	1,381.66	1,231.66
Instruments entirely Equity in Nature	4,320.00	-
Other Equity	(1,950.51)	3,079.67
Total Capital	3,751.15	4,311.33
Capital and Net Debt	12,316.56	5,729.91
Gearing Ratio	69.54%	24.76%

(B) **Dividends:** The Company has not paid any dividend during the year.

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

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.

Amounts towards defined contribution plans have been recognised under "Contributions to provident and other funds" in Note 23: ₹ 470.94 Lakhs (March 31, 2019 - ₹ 346.60 Lakhs).

b) Benefit plans:

The Company operates the following defined benefit plans:

(i) Gratuity:-

The Company has a defined benefit gratuity plan in India, governed by The Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

drawn by the employee concerned. Inherent risk: The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The actuarial valuation of the present value of the defined benefit obligation has been carried out as at March 31, 2020. The following table sets forth the status of the various defined benefit plans of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

(a) Change in Present Value of Defined Benefit Obligations

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation at the beginning of the year	195.02	152.89
Service Cost	62.50	46.53
Interest Cost	14.30	9.85
Acquisition / Divestiture	-	-
Benefits Paid	(25.48)	(29.36)
Re-measurement-Actuarial (gains)/losses	137.15	15.12
Write back	-	-
Defined Benefit Obligation at the end of the year	383.49	195.02

(b) Change in Fair Value of Plan Assets

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Fair Value of Plan Assets at the beginning of the year	-	-
Contributions	-	-
Actuarial Gain/(loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	-	-

(c) Net Defined Benefit Liability / (Assets)

(₹ in Lakh)		
Particulars	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation	383.49	195.02
Fair value of Plan Assets	-	-
(Surplus) / Deficit	383.49	195.02
Effects of Assets Ceiling	-	-
Net Defined Benefit Liability / (Assets)	383.49	195.02

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(d) Total Expenses Recognised in the Statement of Profit and Loss

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Service Cost	62.50	46.53
Net interest on the net defined benefit liability/assets	14.30	9.85
Write back*	-	-
Total Expenses Recognised in the Statement of Profit and Loss	76.80	56.38

(e) Remeasurement effects recognised in Other Comprehensive Income (OCI)

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Actuarial (Gains)/Losses	121.41	12.08
Return on Plan Assets (Greater) / Less than discount rate	-	-
Gain / (Loss) from change in financial assumptions	15.97	3.03
Gain / (Loss) from change in demographic assumptions	(0.23)	-
Total (Gain) / Loss included in OCI	137.15	15.12

(f) Reconciliation of Amounts in Balance Sheet

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation at the beginning of the year	195.02	152.89
Defined Benefit cost included in Profit and Loss	76.80	56.38
Total amount included in OCI	137.15	15.12
Acquisition / Divestiture	-	-
Amount recognized due to Plan Combinations	-	-
Benefits paid	(25.48)	(29.36)
Write back	-	-
Defined Benefit Obligation at the end of the year	383.49	195.02

(g) Reconciliation of Amounts in Statement of Other Comprehensive Income

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
OCI (Income) / Loss at the beginning of the year	(16.16)	(31.27)
Total Remeasurement included in OCI	137.15	15.12
OCI (Income) / Loss at the end of the year	120.99	(16.16)

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(h) Expected Maturity Profile of Defined Benefit Obligation

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Year 1	22.19	11.21
Year 2	22.71	12.53
Year 3	24.08	13.59
Year 4	27.85	14.08
Year 5	28.49	16.48
Years 6 to 10	129.23	72.30

(i) Financial Assumptions

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate	6.72%	7.55%
Expected rate of Salary increase	0% for first year, 5% thereafter	5.00%

(j) Demographic Assumptions

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Mortality Rate	IALM (2012-14) ultimate	IALM (2006-08) ultimate
Withdrawal Rate	Up to 35 Years 10% P.A., 36 to 45 Years 5% P.A., 46 Years and above 2% P.A.	Up to 35 Years 10% P.A., 36 to 45 Years 5% P.A., 46 Years and above 2% P.A.
Retirement age	58 Years	58 Years

(k) Sensitivity Analysis

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate		
Discount Rate -100 basis points	429.27	217.78
Discount Rate +100 basis points	344.93	177.24
Salary increase rate		
Rate -100 basis points	348.77	177.92
Rate +100 basis points	427.77	216.65

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

30. Share-Based Payments

a) Scheme Details

During the year ended March 31, 2019, Nomination and Remuneration committee of the Company has granted 466,500 Employee Stock Options (ESOP's) at the exercise price of ₹ 176/- to the eligible employees of the Company pursuant to the "Praxis Home Retail Limited Share value appreciation Rights, Plan -2018", the vesting period of the same is between 12 months to 60 months.

Each employee share option converts into one equity share of the Company on exercise. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share-based payment arrangements are in existence during the financial year 2019-20.

Option Series	Number of Options Granted	Grant Date	Vesting Date	Exercise Price (₹)	Fair Value at Grant Date (₹)
Granted on March 27, 2019	99,200	27-03-2019	27-03-2020	176	67.38
	99,200	27-03-2019	27-03-2021	176	67.38
	49,600	27-03-2019	27-03-2022	176	67.38
	17,212	27-03-2019	27-03-2020	176	88.40
	17,213	27-03-2019	27-03-2021	176	88.40
	22,950	27-03-2019	27-03-2022	176	88.40
	22,950	27-03-2019	27-03-2023	176	88.40
	34,425	27-03-2019	27-03-2024	176	88.40

Option can be Exercised within five years from the date of Vesting of Options.

b) Movement of Share Option

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding at the beginning of the year	4,66,500	
Granted During the year	-	4,66,500
Forfeited / cancelled during the year	1,03,750	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	3,62,750	4,66,500
Exercisable at the end of the year	1,16,413	-

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 during the previous year:

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

Date of Grant	27 March 2019 (for 3 Year vesting period)	27 March 2019 (for 5 Year vesting period)
Risk Free Interest Rate	6.83%	7.12%
Expected Life	3.3 Years	5.85 Years
Expected Volatility	46.10%	46.10%
Dividend Yield	0.00%	0.00%
Exercise Price	176.00	176.00

d) Compensation Expenses arising on account of Share - Based Payments

Particulars	(₹ in Lakh)	
	Year Ended March 31, 2020	Year Ended March 31, 2018
Expenses arising from equity – settled share-based payment transactions	150.81	2.09

31. Earnings Per Share (EPS)

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

Particulars	As at March 31, 2020	As at March 31, 2019
Profit/(Loss) for the year (₹ in Lakhs)	(8,073.83)	(2,693.77)
Weighted average number of Equity Share for Basic EPS	2,50,43,044	2,46,33,208
Nominal Value per Equity Share (₹)	5/-	5/-
Earning/(Loss) per Equity Share - Basic (₹)	(32.24)	(10.94)
Weighted average number of Equity Share for Diluted EPS	2,50,43,044	2,46,33,208
Nominal Value per Equity Share (₹)	5/-	5/-
Earning/(Loss) per Equity Share - Diluted (₹)	(32.24)	(10.94)

In calculating diluted earning per share for the year, Conversion of Compulsorily Convertible Debentures (CCDs) and effect of Employee Stock Option outstanding till the date of actual exercise of option is not considered since the impact of the same is anti dilutive.

32. Assets pledged as security for Exclusive and Paripassu charge

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
Non-Current Assets		
Non-Financial Assets		
Property, Plant and Equipment	72.43	114.51
Other Intangible Assets	45.66	64.49

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Assets		
Financial Assets		
Trade receivables	2,010.20	1,574.02
Cash and bank balances	603.96	1,374.10
Bank Balance other than Cash and Cash Equivalents above	3.31	3.31
Loans	2,323.57	2,252.76
Other financial assets	-	4.10
Non-Financials Assets		
Inventories	17,605.86	19,771.05
Other current assets	2,342.81	2,697.46
Total assets pledged as security	25,007.80	27,855.80

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.

The Company has adopted modified retrospective approach as per para C8(C)(i) of IND-AS 116, Leases to its leases effective from accounting period beginning from April 1, 2019. This has resulted in recognizing a right of use assets an amount equal to the lease liability of ₹ 31,456.44 lakhs as at April 1, 2019.

(a) Carrying amounts of Lease assets recognised and the movements during the year

(₹ in Lakh)

March 31, 2020	Office Equipments	Buildings	Total
Transition impact on account of adoption of Ind AS 116 'Leases'	6,982.85	24,473.59	31,456.44
Additions	-	1,254.80	1,254.80
Modifications	-	(143.93)	(143.93)
Depreciation Expenses	(1,904.42)	(3,703.67)	(5,608.08)
As at 31st March, 2020	5,078.43	21,880.79	26,959.22

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(b) Carrying amounts of lease liabilities and the movements during the year

(₹ in Lakh)

March 31, 2020	Buildings and Office Equipments	Total
Transition impact on account of adoption of Ind AS 116 'Leases'	31,456.44	31,456.44
Additions	1,254.80	1,254.80
Finance Charge	3,107.28	3,107.28
Repayment	(5,885.95)	(5,885.95)
Liabilities transferred to Vendor's Account	(1,039.66)	(1,039.66)
Modifications	(145.55)	(145.55)
As at 31st March, 2020	28,747.35	28,747.35
Current	7,155.28	7,155.28
Non-current	21,592.08	21,592.08

The effective interest rate for lease liabilities is 10.15% as on 31 March 2020 (10.15% as on 1 April 2019)

(c) The following are the amounts recognised in statement of profit and loss

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation expense of Lease assets	5,608.08	-
Interest expense on Lease liabilities	3,107.28	-
Expense relating to short term leases/low value assets (included in Rent including Lease Rentals)	3,605.11	4,277.29
Variable Lease Payments (included in Rent including Lease Rentals)	351.83	615.48
Fixed rentals	-	5,221.50
Total amount recognised in statement of profit and loss	12,672.30	10,114.27

(d) Reconciliation for the above effect on statement of profit and loss for the year ended March 31, 2020 as follows:

(₹ in Lakh)

Particulars	Year ended March 31, 2020 (Erstwhile basis)	For the year ended March 31, 2020	Year ended March 31, 2020 (As reported)
Rent including Lease Rental	10,884.16	(6,927.23)	3,956.93
Finance Costs	899.69	3,107.28	4,006.97
Depreciation and Amortisation Expenses	81.91	5,608.08	5,690.00
Loss before tax	(6,284.32)	1,788.14	(8,072.46)

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(e) Following table provides information on the Company's variable Lease payments including the magnitude in relation to fixed payments

(₹ in Lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Fixed rent	5,410.62	4,701.67
Variable rent with minimum payment	2,731.91	2,970.36
Variable rent only	1,482.22	1,839.21

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 future rental payments in respect of lease for Premises, Stores and Warehouses are as follows:-

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
The total future minimum lease rent payable at the Balance Sheet date:		
- For a period not later than one year	8,284.44	4,336.06
- For a period later than one year and not later than 5 years	19,463.08	15,630.08
- For a period later than five years	17,285.08	20,973.95

34. Segment Reporting

The Company is primarily engaged in the business of "Retail", 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. Income Tax Expense

(i) Income Tax recognised in Statement of Profit and Loss

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Income Tax expense		
Current Tax	-	-
Deferred Tax :		
Decrease/(increase) in deferred tax assets	-	83.95
(Decrease)/increase in deferred tax liabilities	-	-
Earlier Year's Tax	1.37	-
Income Tax relating to Other Comprehensive Income	-	-
Total Income Tax Expense	1.37	83.95

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(ii) Reconciliation of Tax Expenses

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Profit/(Loss) before tax	(8,072.46)	(2,609.83)
Applicable Tax Rate	26.00%	26.00%
Tax at the Indian tax rate	(2,098.84)	(678.55)
The effect of amounts which are not deductible in calculating taxable income		
Exempt income	-	-
Expenses not allowed for tax purposes	686.28	-
Business loss on which no deferred tax asset is recognized	1,412.56	678.55
Earlier year's tax	1.37	
Reversal of Deferred Tax asset recognised during the previous years	-	83.95
Tax Expense charged to the Statement of Profit and Loss	1.37	83.95

(iii) Amount on which Deferred Tax Assets not Recognised

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Unused Tax Losses	25,403.24	20,748.47
Deferred Tax Assets	6,604.84	5,394.60

(iv) Year wise expiry of such losses as at March 31, 2020 is as under:

(₹ in Lakh)

Particulars	As at March 31, 2020
Expiring within 1 year	1,852.99
Expiring within 1 to 5 years	13,712.73
Expiring within 5 to 8 years	9,426.67
Without expiry limit	410.85
Total	25,403.24

(v) Deferred Tax Assets/(Liabilities)

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	-	83.95
Charged to Statement of Profit and Loss	-	-83.95
Closing balance	-	-

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

(vi) Components of Deferred Tax Assets

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets on account of :		
Unabsorbed brought forward losses	6,604.84	5,394.60
Provisions	51.94	27.72
Property plant and Equipment	12.27	8.85
Closing balance	6,669.05	5,431.17

36. Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of cash flows

(₹ in Lakh)

Particulars	As at March 31, 2020	As at 31 st March, 2019
Long term Borrowings		
Opening Balance (A)	458.37	420.53
Changes in Fair Value		
- Impact of Effective Rate of Interest (B)	41.36	37.84
- Impact of fair value measurement (C)	-	-
Closing Balance (D = A + B + C)	499.73	458.37
Short term Borrowings		
Opening Balance (A)	2,334.32	128.73
- Current		
Availed during the year (B)	30,112.38	8,294.02
Changes in Fair Value		
Repaid During the year (C)	23,777.08	6,088.44
Closing Balance (D = A + B - C)	8,669.62	2,334.32
Interest Expenses		
Prepaid Interest - Opening Balance (A)	8.05	44.20
Interest Expense (B)	4,006.97	320.62
Interest accrued on borrowings (C)	121.42	-
Changes in Fair Value		
- Impact of Effective Rate of Interest (D)	41.36	37.84
Prepaid Interest - Closing Balance (E)	8.05	8.05
Interest paid (F = B - A - C - D + E)	3,844.19	246.63

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

37. Composite Scheme of Arrangements:-

The Composite Scheme of Arrangement between the Future Retail Limited ("FRL or "First Demerged Company") and Bluerock eServices Private Limited ("BSPL" or "Second Demerged Company") and Praxis Home Retail Limited ("PHRL" or "Resulting Company") and their respective Shareholders ("Scheme") under the sections 230 to 232 read with section 66 of the Companies Act, 2013, for Demerger of Home Retail business of FRL in to the company with effect from August 1, 2017 and e-Commerce Home Retail business of BSPL in to the company with effect from April 15, 2016 was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai bench vide its order dated November 20, 2017.

Pursuant to the scheme, all the assets and liabilities pertaining to Home retail business of FRL and e-commerce division of BSPL has been transferred to and vested in the company. Accordingly, on December 8, 2017 the Company issued 2,46,33,208 equity shares of ₹ 5/- each to the eligible shareholders of Future Retail Limited and 6,30,000 non-cumulative redeemable preference shares of ₹ 100/- each, bearing coupon rate of 9% p.a. non-cumulative to the eligible shareholders of Bluerock eServices Private Limited as per the scheme.

i. Purchase Consideration

(₹ in Lakh)		
Particulars	FRL	BSPL
2,46,33,208 Equity shares of ₹ 5/- each issued	1,231.66	-
6,30,000 preference shares of ₹ 100/- each issued	-	630.00
Total Purchase Consideration	1,231.66	630.00

ii. Net identifiable assets acquired

(₹ in Lakh)		
Particulars	FRL	BSPL
Total Assets acquired	28,042.77	1,000.59
Total Liabilities acquired	18,842.77	431.75
Net identifiable assets acquired	9,200.00	568.84

iii. Calculation of Capital Reserve / Goodwill

(₹ in Lakh)		
Particulars	FRL	BSPL
Net identifiable assets acquired	9,200.00	568.84
Total Purchase Consideration	1,231.66	630.00
(Capital Reserve) / Goodwill	(7,968.34)	61.16

38. 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.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

39. 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) Holding Company	Future Corporate Resources Private Limited (formerly known as Suhani Trading and Investing Consultants Private Limited) (w.e.f February 11, 2020)
(ii) Person having influence over Holding Company	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	<ol style="list-style-type: none"> 1. Future Retail Limited 2. Future Lifestyle Fashions Limited 3. Future Generali India Insurance Company Limited 4. Future Sharp Skills Limited 5. Future Supply Chain Solutions Limited 6. Future Enterprises Limited 7. Future Market Networks Limited 8. Future Consumer Limited 9. Future Brands Limited 10. Nufuture Digital (India) Limited 11. City Centre Mall Nashik Private Limited 12. Future Coupons Limited 13. Future Outdoor Media Solutions Limited 14. Future Brands Limited 15. Future Media (India) Limited 16. Future Ideas Company Limited
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(c) Key Management Personnel :

Mr. Viraj Didwania (Chairman and Managing Director)

Mr. Anil Chandak (Chief Financial Officer)

Ms. Smita Chowdhury (Company Secretary and Compliance Officer)

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

1. Transaction with Related Parties

Nature of Transactions	Holding Company	Enterprises over which Companies/individual described in (a) have control/significant influence	Key Management Personnel
Purchases	-	8,239.86	-
	-	(18,717.33)	-
Sales	-	324.37	-
	-	(-)	-
Advertisement and Marketing Expenses	382.94	-	-
	(691.08)	-	-
Rent including Lease Rentals	-	5,392.17	-
	-	(5,039.87)	-
Other Expenses	109.51	1,138.42	-
	(-)	(641.64)	-
Insurance Premium	-	114.47	-
	-	(79.62)	-
Interest Expenses	288.68	-	-
	(-)	-	-
Inter-Corporate Deposit - Taken	7,500.00	-	-
	(-)	-	-
Inter-Corporate Deposit - Repaid	7,500.00	-	-
	(-)	-	-
Compulsorily Convertible Debentures Issued	7,500.00	-	-
	(-)	-	-
Conversion of Compulsorily Convertible Debentures into Equity Shares	3,180.00	-	-
	(-)	-	-
Remuneration to Key Managerial Personnel and Directors *	-	-	282.65
	-	-	(265.64)
Closing Balance as on March 31, 2020			
Security Deposit Receivable	-	10,149.74	-
	-	(10,149.74)	-
Trade Payable	-	5,364.36	-
	-	(16,984.50)	-
Advance given	95.94	774.29	-
	(-)	(-)	-

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

Note: Previous year figures are given in parenthesis.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

2. Significant Related Party Transactions

- A. Purchases includes purchase from Future Retail Limited ₹ 195.56 lakhs (2019: ₹ 12,479.33 lakhs) & Freight, C&F and Warehousing services includes payment to Future Supply Chain Solutions Limited ₹ 8,044.05 lakhs (2019: ₹ 6,238.00 lakhs).
- B. Sales includes sale to Future Retail Limited ₹ 284.23 lakhs (2019: ₹ Nil), Future Enterprises Limited ₹ 31.80 lakhs (2019: ₹ Nil).
- C. Advertisement and Marketing expenses paid/payable to Future Corporate Resources Private Limited (fka-Suhani Trading and Investment Consultants Private Limited) ₹ 382.94 lakhs (2019: ₹ 691.08 lakhs)
- D. Rent including Lease rentals includes amount paid/payable to Future Enterprises Limited ₹ 2,009.39 lakhs (2019: ₹ 2,396.35 lakhs), Future Lifestyle Fashions Limited ₹ 1,836.95 lakhs (2019: ₹ 1,583.77 lakhs), Future Retail Limited ₹ 1,147.73 lakhs (2019: ₹ 825.96 lakhs), Future Market Networks Limited ₹ 313.25 lakhs (2019: ₹ 146.52 lakhs), City Centre Mall Nashik Pvt. Ltd. ₹ 84.86 lakhs (2019: ₹ 87.26 lakhs)
- F. Other Expenses includes amount paid/payable to Future Sharps Skills Limited ₹ 7.93 lakhs (2019: ₹ 43.92 lakhs), Nufuture Digital (India) Limited ₹ 695.65 lakhs (2019: ₹ Nil), Future Corporate Resources Private Limited (fka-Suhani Trading and Investment Consultants Private Limited) ₹ 109.51 lakhs (2019: ₹ Nil), Future Lifestyle Fashions Limited ₹ 332.59 lakhs (2019: ₹ 383.19 lakhs), Future Media (India) Limited ₹ 11.66 lakhs (2019: ₹ Nil), Future Coupons Limited ₹ 16.14 lakhs (2019: ₹ Nil), City Centre Mall Nashik Pvt. Ltd. ₹ 54.86 lakhs (2019: ₹ 64.65 lakhs).
- G. Insurance Premium paid to Future Generali India Insurance Company Limited ₹ 114.47 lakhs (2019: ₹ 79.62 lakhs)
- H. Interest expenses include interest paid/payable to Future Corporate Resources Private Limited (fka-Suhani Trading and Investment Consultants Private Limited) ₹ 288.68 lakhs (2019: ₹ Nil)
- I. Inter-Corporate Deposit Taken from Future Corporate Resources Private Limited (fka-Suhani Trading and Investment Consultants Private Limited) ₹ 7,500.00 lakhs (2019: ₹ Nil)
- J. Inter-Corporate Deposit Repaid to Future Corporate Resources Private Limited (fka-Suhani Trading and Investment Consultants Private Limited) ₹ 7,500.00 lakhs (2019: ₹ Nil)
- K. Compulsorily Convertible Debentures issues to Future Corporate Resources Private Limited (fka-Suhani Trading and Investment Consultants Private Limited) ₹ 7,500.00 lakhs (2019: ₹ Nil)
- L. Conversion of Compulsorily Convertible Debentures into Equity Shares, issued to Future Corporate Resources Private Limited (fka-Suhani Trading and Investment Consultants Private Limited) ₹ 3,180.00 lakhs (2019: ₹ Nil)
- M. Managerial Remuneration includes Mr. Viraj Didwania ₹ 171.29 lakhs (2019: ₹ 171.32 lakhs), Mr. Anil Chandak ₹ 70.19 lakhs (2019: ₹ 26.42) and Ms. Smita Chowdhury ₹ 11.92 lakhs (2019: ₹ 11.11 lakhs) & Director Sitting fees paid to Mr. Shantanu Chandravadan Shah ₹ 3.60 lakhs (2019: ₹ 3.10 lakhs), Mr. Pankaj Bhargava ₹ 3.60 lakhs (2019: ₹ 4.50 lakhs), Mr. Sarda Shrirang Kisanlal ₹ 1.50 lakhs (2019: ₹ 2.30 lakhs), Mr. S.Subramanian ₹ 3.60 lakhs (2019: ₹ 4.40 lakhs) & Ms. Sridevi Badiga ₹ 1.80 lakhs (2019: ₹ 2.00 lakhs).
- N. Security Deposit receivable from Future Enterprises Limited, amounting to ₹ 10,100.00 lakhs (2019: ₹ 10,100.00 lakhs) and Future Market Network Limited, amounting to ₹ 49.74 lakhs (2019: ₹ 49.74 lakhs).
- O. Trade Payables includes payable to Future Supply Chains Solutions Limited of ₹ 4,170.63 lakhs (2019: ₹ 4,663.31 lakhs), Future Lifestyle Fashions Limited ₹ 894.95 lakhs (2019: ₹ 1,866.66 lakhs) and Nufuture Digital (India) Limited of ₹ 210.12 lakhs (2019: ₹ Nil).
- P. Advances given include Advances to Future Enterprises Limited 330.05 lakhs (2019: ₹ Nil), Future Retail Limited ₹ 439.98 lakhs (2019: ₹ Nil) and Future Corporate Resources Private Limited ₹ 95.94 lakhs (2019: ₹ Nil).

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

40. Payment to the Auditors (excluding GST)

Particulars	(₹ in Lakh)	
	As at March 31, 2020	As at March 31, 2019
For Statutory Audit	22.00	22.00
For Limited Review	9.00	9.00
Total	31.00	31.00

41. Contingent Liabilities

- (i) The Company has not provided for Income Tax demand of ₹ 113.80 lakhs (2019: ₹ Nil) which is pending before CIT Appeals.
- (ii) Claim against the company not acknowledge as debt - ₹ Nil (2019: ₹ 260.89 lakhs).

42. 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 Ind AS 37 and expense out the cost on an actual basis.

43. The Company has incurred losses during the current year as well as previous years which have resulted in erosion of net worth of the Company, which indicates material uncertainty on the company's ability to continue as a going concern. The Company is committed to improve its operational efficiency and has taken various initiatives to boost sales. The Company is confident that these initiatives will yield desired results and sustainable cash flows to meet the obligations of the Company and accordingly, the accounts of the Company have been prepared on a going concern basis.

44. The Company on October 30, 2019 convened an Extra Ordinary General Meeting and passed a special resolution for issue of Compulsorily Convertible Debentures (CCD's) amounting to ₹ 7,500 lakhs on preferential basis to Future Corporate Resources Private Limited in accordance with the provision of Section 23, 42, 62 and 71 and other applicable provisions if any of the Act. Pursuant to which the Company on December 12, 2019 allotted 7,500 CCD's at a face value of ₹ 1,00,000 each to Future Corporate Resources Private Limited. The said proceeds has been utilized for the purpose it was raised i.e. repayment of Inter Corporate Deposits taken from Future Corporate Resources Private Limited amounting to ₹ 7,500 lakhs.

45. During the year, the Company converted 3,180 Compulsorily Convertible Debentures (CCDs) out of 7,500 CCDs originally allotted on December 12, 2019 at a face value of ₹ 1,00,000 each (Coupon rate - 0.01% p.a.) amounting to ₹ 3,180 lakhs into 30,00,000 Equity Shares at an issue price of ₹ 106 per share (Including a share premium of ₹ 101 per share) amounting to ₹ 3,180 lakhs. Accordingly the equity share capital and securities premium has been increased by ₹ 150 lakhs and ₹ 3,030 lakhs respectively. Pursuant to the above conversion the Company is now a subsidiary of Future Corporate Resources Services Private Limited.

Further, the aforesaid issue of 30,00,000 Equity Shares are in the process of being listed on both the stock exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has received approval from BSE and is awaiting the listing approval from NSE.

Notes to the financial statements for the year ended March 31, 2020 (Contd.)

46. The retail industry as a whole has been adversely impacted by the spread of COVID-19. The Company faces significant headwinds due to COVID-19 which have impacted the operations of the Company adversely starting from the month of March 2020 onwards particularly by way of store closures due to complete lockdown. This unprecedented disruption has had an adverse impact on the performance and continues to impact the business and our financial results. In this crisis, our priorities are to protect the employees and their families from COVID-19, besides our customers visiting our stores and the society associated with it.

The Company is in the process of resuming store operations and has been opening the stores, as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of regulatory authorities.

The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of the financial statements.

47. Previous year figures

Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's presentation.

As per our report of even date attached

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W/W100593

Vishal D. Shah
Partner
Membership No.: 119303

Place : Mumbai
Date : June 29, 2020

Viraj Didwania
Chairman & Managing Director
DIN 02412474

Pankaj Bhargava
Director
DIN 02685275

Anil Chandak
Chief Financial Officer
Membership No.: 060916

For and on behalf of Board of Directors

Sridevi Badiga
Director
DIN 02362997

Shrirang Sarda
Director
DIN 00576667

Smita Chowdhury
Company Secretary & Compliance Officer
Membership No.: A30227

S. Subramanian
Director
DIN 00092215

Shantanu Shah
Director
DIN 07012322

INFORMATION AS REQUIRED PURSUANT TO RULE 5 (2) and RULE 5 (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULE, 2014 AND FORMING PART OF THE BOARD REPORT FOR THE YEAR ENDED MARCH 31, 2020

Employee Name	Designation	Remuneration Drawn in (₹)	Qualification	Age (in Yrs.)	Date of Joining*	Experience (in years)	Last Employment
Mr. Viraj Didwania	Chairman & Managing Director	1,71,29,208	Dual majors in Commerce from the Business School and Economics from the University of Virginia	38	01-Nov-17	16	Morgan Stanley
Mr. Sumit Midha#	Chief Operating Officer	1,06,09,199	Post Graduate Program in Management	44	22-Jan-19	19	Asian Paints Limited
Mr. Thomas Johan#	Head- Strategy & Planning	78,34,961	MBA	47	22-Jan-19	25	Evok
Mr. Anil Chandak	Chief Financial Officer	70,19,267	Chartered Accountant and Company Secretray	43	19-Feb-19	19	Halyard Health India
Ms. Medha Tawde	Chief Marketing Officer	42,35,908	Strategic Marketing from IIM	47	14-Nov-17	12	Burger King India
Mr. Armando Eduarte *	Head-Visual Merchandising	42,77,684	Computer Science from AMA	44	11-Sep-13	25	Danude Buildmart
Mr. Sujoy Mitra	Business Head- IT	41,06,679	MBA from XLRI and PGDIT from Symbiosis	42	19-Jun-18	18	Reliance Brands
Mr. Deepak Shripat Jadhav	Head - Project Execution	36,40,985	BE & MBA	41	11-Dec-18	20	Globus Stores Pvt Ltd
Mr. Hemant Chauhan	Category Head-Home Décor, Kitchen & Tableware & Living Furniture	35,12,294	PGDBA	48	30-Sep-19	22	HSIL Limited
Mr. Prashant Barfe	Head - Planning & Merchandising	33,16,028	Post Graduate Diploma in Retail Management	42	01-Jan-20	20	Future Retail Ltd.

Notes :

- *Pursuant to the Scheme of Arrangement between Future Retail Limited ("FRL") and Bluerock eServices Private Limited ("BSPL") and the Company and their respective Shareholders under Sections 230 to 232 and Section 66 of the Companies Act, 2013, interalia involving demerger of the Home Retail Business Undertaking of FRL and e-Commerce Home Retail Business Undertaking of BSPL into the Company, with effect from 1st Appointed Date i.e. August 01, 2017 for FRL and 2nd Appointed Date i.e. April 15, 2016 for BSPL, the employees of Future Retail Limited working for Home Retail Business Undertaking have been transferred on the payroll of the Company w.e.f. November 01, 2017. The Date of joining given for the aforesaid employees is the date on which they had joined FRL.
- # Denotes employed for part of the year
- Nature of employment is permanent and terminable by Notice on either side.
- The above employees are not related to any Director of the Company.
- No employee holds by himself / herself or along with spouse and dependent children 2% or more of the equity shares of the Company.
- Terms and conditions of employment are as per Company's Rules.
- Remuneration drawn as shown in the statement includes Salary, House Rent Allowance, employer's contribution to Provident Fund, and perquisites / allowances as applicable.
- The above remuneration is excluding ESOP perquisites.



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