

PRAXIS

HOME RETAIL LIMITED

REF: BM-02/BSE-NSE/Reg-30&33/FY2021-22/05

Date: June 30, 2021

To
BSE Limited
Dept. of Corporate Services
25th Floor, P J Towers,
Dalal Street,
Mumbai – 400001.

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

Scrip Code: 540901

Symbol: PRAXIS

Dear Sir/Madam,

Ref.: Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub.: Outcome of the Board Meeting of Praxis Home Retail Limited ("the Company") held on Wednesday, June 30, 2021 - Audited Financial Results for the fourth quarter and financial year ended March 31, 2021 and Auditors' Report thereon.

Pursuant to Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ["SEBI Listing Regulations"] read with Para A of Part A of Schedule III of the SEBI Listing Regulations, the Board of Directors of the Company at their meeting held today i.e. June 30, 2021 we enclose herewith the following:

- 1) **Audited Financial Results** for the quarter and financial year ended on March 31, 2021.
These financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held today.
- 2) **Auditors' Report** on the above Financial Results duly issued by M/s. Pathak H.D. & Associates, Chartered Accountants, the Statutory Auditors of the Company.

Pursuant to SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that M/s. Pathak H.D. & Associates, Chartered Accountants, the Statutory Auditors of the Company have issued the Audit Report on the Audited Financial Results of the Company, for the quarter and financial year ended on March 31, 2021, with **unmodified opinion**.

- 3) Further, pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Para A of Part A of Schedule III to the Listing Regulations, the Board of Directors of the Company at their meeting held today i.e. June 30, 2021 has approved, appointment of Ms. Anou Singhvi as "Additional Independent Woman Director" of the Company, with immediate effect.

The details required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated Sept 9, 2015 is disclosed separately.

Praxis Home Retail Limited (Formerly known as Praxis Home Retail Private Limited)

Registered and Corporate Office: iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai 400 042
Tel: +91 22 7106 8031 Fax: +91 22 7106 8032; Website: www.praxisretail.in. CIN: L52100MH2011PLC212866



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The meeting of the Board of Directors commenced at 09:15 AM and concluded at 11:45 AM. The above is for your information and record.

Thanking you,

Yours faithfully,

For PRAXIS HOME RETAIL LIMITED



SMITA CHOWDHURY
Company Secretary & Compliance Officer
M. No. A30227

Encl: A/a

Independent Auditor's Report on Audited Financial Results of Praxis Home Retail Limited for the quarter and year ended March 31, 2021 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To,
The Board of Directors of
Praxis Home Retail Limited

Report on the audit of the Financial Results

Opinion

We have audited the accompanying Financial Results of Praxis Home Retail Limited ("the Company") for the quarter and year ended March 31, 2021 ("the financial results"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information for the quarter and year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 results 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

We draw attention to Note 3 of the financial results which states that the Company's networth is eroded due to losses incurred during the year as well as previous year, its current liabilities exceed current assets, which indicates a material uncertainty exists that may cast a significant doubt on the company's ability to continue as a going concern. However the accounts are prepared on a going concern basis for the reasons stated in the aforesaid note.

Our opinion is not modified in respect of this matter.



Emphasis of Matter

We draw attention to Note 6 of the financial results, 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.

Management's Responsibilities for the Financial Results

The financial results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income / loss and other financial information in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole is 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 results.

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

- Identify and assess the risks of material misstatement of the financial results, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 results, including the disclosures, and whether the financial results 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 financial results 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.

Other Matters

The financial results includes the results for the quarter ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

For Pathak H. D. & Associates LLP

Chartered Accountants

Firm Registration No. 107783W/W100593



Vishal D. Shah

Partner

Membership No. 119303

UDIN: 21119303AAAALY5064



Place: Mumbai

Date: June 30, 2021

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Praxis Home Retail Limited

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CIN: L52100MH2011PLC212866

(T)- 022-7106 8031; (F)- 022-7106 8032; Website: www.praxisretail.in; E-mail: investorrelations@praxisretail.in

Statement of Financial Results for the Quarter & Year Ended March 31, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Quarter ended			Year Ended	
		31.03.2021 (Unaudited)	31.12.2020 (Unaudited)	31.03.2020 (Unaudited)	31.03.2021 (Audited)	31.03.2020 (Audited)
1	Income					
	a) Revenue from Operations	9,348.78	11,229.96	15,267.75	31,309.58	70,339.63
	b) Other Income (Refer Note no. 5)	2,319.90	2,967.34	15.80	6,557.95	33.13
	Total Income	11,668.68	14,197.30	15,283.55	37,867.53	70,372.76
2	Expenses					
	a) Purchase of Stock in trade	5,015.30	2,783.92	8,911.39	13,116.90	40,683.74
	b) Changes in Inventories of Stock in trade - (Increase) / Decrease	637.36	4,838.06	1,225.57	8,441.53	2,165.20
	c) Employee Benefits Expenses	1,772.78	1,613.64	1,803.15	5,394.52	8,724.04
	d) Rent including Lease Rental	758.14	1,019.98	949.35	3,484.46	3,956.93
	e) Finance Costs	699.49	817.22	1,003.61	3,422.57	4,006.97
	f) Depreciation and Amortisation expenses	1,344.54	1,436.47	1,451.48	5,678.84	5,690.00
	g) Other Expenses	2,863.74	3,229.49	2,423.46	8,652.23	13,218.33
	Total Expenses	13,091.34	15,738.77	17,768.01	48,191.05	78,445.21
3	Profit / (Loss) before Tax (1-2)	(1,422.66)	(1,541.47)	(2,484.46)	(10,323.52)	(8,072.46)
4	Tax Expense					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax Liability / (Asset)	-	-	-	-	-
	c) Earlier Years Tax	(1.37)	-	1.37	(1.37)	1.37
5	Profit/(Loss) for the year/period (3-4)	(1,421.29)	(1,541.47)	(2,485.83)	(10,322.16)	(8,073.83)
6	Other Comprehensive Income/(Loss)					
	(i) Items that will not be reclassified to Profit & Loss					
	(a) Remeasurements of Defined benefit plans	152.57	60.00	(125.15)	152.57	(137.15)
	(b) Income Tax relating to above	-	-	-	-	-
	Other Comprehensive Income/(Loss) for the year/period	152.57	60.00	(125.15)	152.57	(137.15)
7	Total Comprehensive Income/(Loss) (5+6)	(1,268.72)	(1,481.47)	(2,610.98)	(10,169.58)	(8,210.98)
8	Paid up Equity Share Capital (Face Value ₹ 5/- per share)	1,519.16	1,381.66	1,381.66	1,519.16	1,381.66
9	Other Equity	-	-	-	(9,327.90)	(1,950.51)
10	Earnings per Equity Share (Face value of ₹ 5/- each)					
	Basic EPS in ₹ (* not annualized for Quarter ended)	(4.75)	(5.57)	(9.93)	(36.61)	(32.24)
	Diluted EPS in ₹ (*not annualized for Quarter ended)	(4.75)	(5.57)	(9.93)	(36.61)	(32.24)

Notes:-

- The above financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.
- The Company's business activity falls within a single primary business segment of "retail" and there are no separate reportable segments as per Ind AS 108 "Operating Segments". Company's operations are only confined in India.
- The entire networth of the Company has been eroded due to losses incurred and its current liabilities exceed its current assets which indicate a material uncertainty exists that may cast a significant doubt on the company's ability to continue as a going concern. The Company is committed to improve its operational efficiency and has taken various initiatives to boost sales, reduce cost and have taken steps to infuse capital into the Company. The Company is confident that these initiatives will yield desired results and sustainable cash flows to meet the obligations of the Company. Accordingly, the financials of the Company have been prepared on a going concern basis.



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- 4 There were no exceptional items for the quarter and year ended March 31, 2021.
- 5 The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116-Leases, by inserting a Practical Expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has elected to apply the Practical Expedient of not assessing the rent concessions as a lease modification for all the rent concession which are granted due to Covid-19 Pandemic and has recognized the impact of such rent concession in the Statement of Profit and Loss. Accordingly rent concession of Rs. 1,707.30 lakhs, Rs 2,085.64 lakhs and Rs 4,979.51 lakhs for the quarter ended March 31, 2021, December 31, 2020 and year ended March 31, 2021 respectively are accounted under head other income .
- 6 COVID-19 pandemic has had a significant impact on the business operations and the financial results of the Company for the quarter and year ended March 31, 2021. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, in determination of the recoverability and carrying value of financial assets and non-financial assets. The impact of the current surge in COVID-19 pandemic on the overall economic environment is uncertain and may affect the underlying assumptions and estimates used to prepare the company's financial results, whereby actual outcome may differ from those assumptions and estimates considered as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions. The Company continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.
- 7 During the year ended March 31, 2021, the Company converted 2,915 Compulsorily Convertible Debentures (CCDs) out of the 4,320 CCD's outstanding as on April 1, 2020 at a face value of Rs. 1,00,000 each amounting to Rs. 2,915 Lakhs into 27,50,000 Equity shares at an issue price of Rs. 106 per share (including share premium of Rs. 101 per share) amounting to Rs. 2,915 Lakhs. Accordingly the equity share capital and securities premium has been increased by Rs.137.50 Lakhs and Rs.2,777.50 Lakhs respectively. Subsequent to the balance sheet dated on May 27, 2021, the Company converted the balance 1,405 Compulsorily Convertible Debentures (CCDs) at a face value of Rs. 1,00,000 each amounting to Rs. 1,405 Lakhs into 13,25,471 Equity shares at an issue price of Rs. 106 per share (including share premium of Rs. 101 per share) amounting to Rs. 1,405 Lakhs. Accordingly the equity share capital and securities premium has been increased by Rs.66.27 Lakhs and Rs.1,338.73 Lakhs respectively
- 8 The Indian parliament has approved the Code of Social Security 2020, which would impact contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Welfare Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the Impact once the subject rules under the Code are notified and will give appropriate Impact in the financial statements when the code becomes effective.
- 9 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period/year. The figures for the quarter ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures in respect to full financial year and year to date figures upto the third quarter of the respective financial year.
- 10 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 30, 2021.
- 11 The financial results will be available on the website of the company - "www.praxisretail.in" and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

Place : Mumbai
Date : June 30, 2021



Mahesh Shah
Managing Director



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Statement of Assets & Liabilities as at March 31, 2021

HOME RETAIL LIMITED (₹ in Lakhs)

Particulars	As at	As at
	March 31, 2021 (Audited)	March 31, 2020 (Audited)
Assets		
1. Non-Current Assets		
Property, Plant and Equipment	41.30	72.43
Right-of-use Assets	14,264.09	26,959.22
Other Intangible Assets	25.53	45.66
Financial Assets		
Loans	10,235.01	10,517.93
Advance Tax Assets	57.89	25.46
Total Non-Current Assets	24,623.82	37,620.70
2. Current Assets		
Inventories	9,164.33	17,605.86
Financial Assets		
Trade Receivables	1,203.82	2,010.20
Cash and Cash Equivalents	482.46	603.96
Bank Balance other than Cash and Cash Equivalents above	3.31	3.31
Loans	2,407.18	2,323.57
Other Financial Assets	-	66.03
Other Current Assets	1,839.53	2,276.77
Total Current Assets	15,100.63	24,889.70
Total Assets	39,724.46	62,510.40
Equity And Liabilities		
Equity		
Equity Share Capital	1,519.16	1,381.66
Instruments entirely Equity in Nature	1,405.00	4,320.00
Other Equity	(9,327.90)	(1,950.51)
Total Equity	(6,403.74)	3,751.15
Liabilities		
1. Non-Current Liabilities		
Financial Liabilities		
Borrowings	1,643.34	499.73
Lease Liabilities	10,510.19	21,592.08
Provisions	474.88	541.71
Total Non-Current Liabilities	12,628.41	22,633.52
2. Current Liabilities		
Financial Liabilities		
Borrowings	6,984.46	8,669.62
Trade Payables		
Total Outstanding dues of Micro and Small Enterprises	1,438.33	1,019.95
Total Outstanding dues of Creditors other than Micro and Small Enterprises	13,785.41	12,980.65
Lease Liabilities	5,895.88	7,155.28
Other Financial Liabilities	2,545.45	2,426.74
Other Current Liabilities	2,800.29	3,831.82
Provisions	49.97	41.67
Total Current Liabilities	33,499.79	36,125.73
Total Equity and Liabilities	39,724.46	62,510.40

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HOME RETAIL LIMITED ₹ in Lakhs)

Statement of Cash Flow for the year ended March 31, 2021

Sr No.	Particulars	Year Ended	Year Ended
		March 31, 2021	March 31, 2020
		(Audited)	(Audited)
A	Cash Flows From Operating Activities		
	Profit / (Loss) Before Tax	(10,323.51)	(8,072.46)
	Adjustments For:		
	Depreciation and Amortization Expenses	5,678.84	5,690.00
	Provision for Gratuity and Leave Encashment	184.83	272.54
	Finance Costs	3,377.61	3,965.61
	Unwinding Interest on Financial Instrument at Amortised Cost	44.97	41.36
	Unrealised Exchange (Gain)/Loss	-	10.92
	Interest income on Income Tax Refund	-	(1.47)
	Employee stock option expenses	14.68	150.81
	Provision for Doubtful Debts and Advances	-	189.36
	Loss on Damaged/Shrinkage and Obsolete Inventory	912.05	339.64
	Write Back of Liabilities (Net)	(1,537.03)	-
	Rent Concessions	(4,979.51)	-
	Cash Generated (Used in)/from before Working Capital Changes	(6,627.08)	2,586.30
	Adjustments For:		
	Trade Receivables	806.38	(511.15)
	Loans, Other Financial Assets and Other Assets	271.16	329.34
	Inventories	7,529.48	1,825.56
	Trade Payables	4,034.14	(12,079.88)
	Other Financial Liabilities, Other Liabilities and Provisions	(973.57)	153.97
	Cash Generated from / (Used in) Operations	11,667.59	(7,695.88)
	Income Tax Paid/(Refund)	34.97	(25.46)
	Net Cash Flows Generated from / (Used in) Operating Activities	5,075.48	(7,721.34)
B	Cash Flows From Investing Activities		
	Payment for Purchase of Property, Plant and Equipment and Intangible Assets (Net of Capital Creditors)	(11.12)	(86.58)
	Amount refunded/(paid) towards security deposits	-	(174.70)
	Net Cash flow Generated from / (Used In) Investing Activities	(11.12)	(261.28)
C	Cash Flows From Financing Activities		
	Proceeds from Long term Borrowings	1,098.64	-
	(Repayment)/Proceeds from Short term Borrowings (Net)	(1,202.69)	6,335.31
	Proceeds from Issue of Compulsory Convertible Debentures	-	7,500.00
	Payment of Lease Liabilities	(4,214.50)	(5,885.95)
	Interest Paid	(867.30)	(736.90)
	Net Cash flow Generated from / (Used In) Financing Activities	(5,185.84)	7,212.45
	Net (Decrease) / Increase In Cash and Cash Equivalents	(121.50)	(770.16)
	Net (Decrease) / Increase In Cash and Cash Equivalents	(121.50)	(770.12)
	Cash and Cash Equivalents (Opening Balance)	603.96	1,374.10
	Cash and Cash Equivalents (Closing Balance)	482.46	603.96
	Components of Cash and Cash Equivalents	482.46	603.96

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