

PRAXIS

HOME RETAIL LIMITED

Ref: BM-03/BSE-NSE/Reg-30&33/FY2021-22/07

Date: August 09, 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 Monday, August 09, 2021 - Unaudited Financial Results for the First Quarter ended June 30, 2021 and Limited Review Report thereon by the Statutory Auditors of the Company.

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. August 09, 2021, we enclose herewith the following:

- 1) **Unaudited Financial Results** for the first quarter ended on June 30, 2021.
These Unaudited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held today.
- 2) **Limited Review Report** on the above Unaudited Financial Results duly issued by Pathak H.D. & Associates LLP, Statutory Auditors of the Company.

The meeting of the Board of Directors commenced at 9:45 AM and concluded at 10:06 AM. The above is for your information and record.

Further to our intimation dated June 30, 2021 regarding closure of 'Trading Window' for dealing in Shares of the Company by the Designated Persons, pursuant to Clause 4 of Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations") and the Company's Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the mandatory trading restrictions prescribed by BSE Limited Circular LIST/COMP/01/2019-20 and the National Stock Exchange of India Limited Circular Ref No: NSE/CML/2019/11, the 'Trading Window' shall open 48 hours post announcement of financial results for the first quarter ended June 30, 2021.

Thanking you,

Yours faithfully,

For PRAXIS HOME RETAIL LIMITED


SMITA CHOWDHURY

Company Secretary & Compliance Officer



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

Limited Review Report on the Unaudited Financial Results of Praxis Home Retail Limited for the Quarter ended June 30, 2021 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Praxis Home Retail Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Praxis Home Retail Limited ('the Company') for the quarter ended June 30, 2021 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. Attention is drawn to the fact that the figures for the quarter ended March 31, 2021 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on August 09, 2021, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 3 of the Statement which states that the Company's net worth is eroded due to losses incurred during the quarter as well as in previous years which indicate a material uncertainty 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 conclusion on the Statement is not modified in respect of this matter.
6. We draw attention to Note 6 of the Statement, as regards to the management evaluation of impact of COVID – 19 on the future performance of the Company. Our conclusion on the Statement is not modified in respect of this matter.

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

JTShah

Jigar T. Shah
Partner
Membership No.161851
UDIN: 21161851AAAAAX7581



Date: August 09, 2021
Place: Mumbai

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HOME RETAIL LIMITED

Praxis Home Retail Limited

Regd. Office: iThink Techno campus, Jolly Board tower D, Ground floor, Kanjurmarg East, Mumbai- 400042

CIN: L52100MH2011PLC212866

(T)- 022-6682 4900 ; (F)- 022-7106 8032; Website: www.praxisretail.in; E-mail: investorrelations@praxisretail.in

Statement of Financial Results for the Quarter Ended June 30, 2021

(₹ in Lakhs)

| Sr. No. | Particulars | Quarter ended | | | Year Ended |
|---------|---|---------------|-------------|-------------|-------------|
| | | 30.06.2021 | 31.03.2021 | 30.06.2020 | 31.03.2021 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Income | | | | |
| | a) Revenue from Operations | 4,813.44 | 9,348.78 | 2,314.22 | 31,309.58 |
| | b) Other Income (Refer Note no. 5) | 2,233.10 | 2,319.90 | 747.48 | 6,557.95 |
| | Total Income | 7,046.54 | 11,668.67 | 3,061.69 | 37,867.53 |
| 2 | Expenses | | | | |
| | a) Purchase of Stock in trade | 3,816.10 | 5,747.74 | 1,563.11 | 16,337.16 |
| | b) Changes in Inventories of Stock in trade - (Increase) / Decrease | (722.53) | 637.36 | 861.81 | 8,441.53 |
| | c) Employee Benefits Expenses | 1,394.45 | 1,772.78 | 800.65 | 5,394.52 |
| | d) Rent including Lease Rental | 406.84 | 758.14 | 767.38 | 3,484.46 |
| | e) Finance Costs | 594.82 | 699.49 | 942.58 | 3,422.57 |
| | f) Depreciation and Amortisation expenses | 1,010.47 | 1,344.54 | 1,449.70 | 5,678.84 |
| | g) Other Expenses | 1,035.70 | 2,131.30 | 560.95 | 5,431.97 |
| | Total Expenses | 7,535.85 | 13,091.34 | 6,946.20 | 48,191.04 |
| 3 | Profit / (Loss) before Tax (1-2) | (489.29) | (1,422.66) | (3,884.48) | (10,323.52) |
| 4 | Tax Expense | | | | |
| | a) Current Tax | - | - | - | - |
| | b) Deferred Tax Liability / (Asset) | - | - | - | - |
| | c) Earlier Years Tax | - | (1.37) | - | (1.37) |
| 5 | Profit/(Loss) for the year/period (3-4) | (489.29) | (1,421.29) | (3,884.48) | (10,322.16) |
| 6 | Other Comprehensive Income/(Loss) | | | | |
| | (i) Items that will not be reclassified to Profit & Loss | | | | |
| | (a) Remeasurements of Defined benefit plans | - | 152.57 | (30.00) | 152.57 |
| | (b) Income Tax relating to above | - | - | - | - |
| | Other Comprehensive Income/(Loss) for the year/period | - | 152.57 | (30.00) | 152.57 |
| 7 | Total Comprehensive Income/(Loss) (5+6) | (489.29) | (1,268.72) | (3,914.48) | (10,169.58) |
| 8 | Paid up Equity Share Capital (Face Value ₹ 5/- per share) | 1,585.43 | 1,519.16 | 1,381.66 | 1,519.16 |
| 9 | Other Equity | | | | (9,327.90) |
| 10 | Earnings per Equity Share (Face value of ₹ 5/- each) | | | | |
| | Basic EPS in ₹ (* not annualized for Quarter ended) | (1.58) | (4.75) | (14.05) | (36.61) |
| | Diluted EPS in ₹ (* not annualized for Quarter ended) | (1.58) | (4.75) | (14.06) | (36.61) |

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.



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- 3 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.
- 4 There were no exceptional items for the quarter ended June 30, 2021.
- 5 The Ministry of Corporate Affairs vide notification dated July 24, 2020 and June 18, 2021 issued an amendment to Ind AS 116-Leases, by inserting a Practical Expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Company has elected to apply the Practical Expedient of not assessing the rent concessions as a lease modification for all the rent concession which are granted due to Covid-19 Pandemic and has recognized the impact of such rent concession in the Statement of Profit and Loss. Accordingly rent concession of Rs. 993.85 lakhs for the quarter ended June 30, 2021 (Rs.1,707.30 lakhs during the quarter ended March 31, 2021, Rs. 745.43 lakhs during the quarter ended June 30, 2020 and Rs. 4,979.51 lakhs during the year ended March 31, 2021) is 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 ended June 30, 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 quarter ended June 30, 2021, the Company converted 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 are the balancing figures between the audited figures in respect to full previous financial year and the published year to date figures up to third quarter of the previous 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 August 9, 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 : August 9, 2021


Mahesh Shah
Managing Director



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