

Date: February 12, 2025

To,

BSE Limited

Dept. of Corporate Services

25th Floor, P J Towers,

Dalal Street, Mumbai – 400001

To,

National Stock Exchange of India Limited

Listing Department

Exchange Plaza, Bandra Kurla Complex,

Bandra (East), Mumbai – 400051

Script Code: 540901

Script Symbol: PRAXIS

Dear Sir/Madam,

Sub.: Regulation 30 r/w. regulation 33 of SEBI (LODR) Regulations, 2015 – outcome of Board Meeting

In furtherance to the intimation dated February 7, 2025 and pursuant to the provisions of regulation 30 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), we wish to inform you that the Board of Directors of the Company, at its Meeting held today, i.e. on **February 12, 2025**, has inter-alia considered the following:

1. Un-audited Financial Results for the quarter ended December 31, 2024

The un-audited standalone financial results for the quarter ended December 31, 2024 ("**Financial Results**"). The Financial Results have been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings. The Financial Results together with the limited review report are enclosed herewith.

2. Fund raising

The Board approved issuance of equity shares on preferential basis against the conversion of certain trade payables equivalent to an amount up to Rs.12,26,50,000 at an issue price of Rs.22/- per equity share OR such other price as may be determined in accordance with SEBI (ICDR) Regulations, 2018, whichever is higher, in accordance with the relevant provisions of applicable laws, subject to approval of the shareholders of the Company and receipt of applicable regulatory approvals, as may be required. Requisite details of the proposed issue are given in **Annexure A**.

3. Extra Ordinary General Meeting

The Board approved convening the Extra Ordinary General Meeting of shareholders on March 13, 2025 for obtaining the approval of the shareholders for the proposed preferential issue of equity shares. Notice of the said meeting shall be submitted to the Stock Exchanges in due course.

The meeting of the Board of Directors commenced at 3:35 pm and closed at 4:40 pm.

Kindly take the above information on your records.

Yours faithfully,

For Praxis Home Retail Limited

Vimal Dhruve

Company Secretary

Encl.: as above

Annexure A

Details of the proposed issue of equity shares on preferential basis

Type of securities proposed to be issued	:	Equity Shares of Rs.5/- each
Type of issuance (further public offering, rights issue, depository receipts (ADR/GDR), qualified institutions placement, preferential allotment etc.);	:	Preferential Issue
Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately)	:	Total 55,75,000 equity shares are proposed to be issued at an issue price of Rs.22/- per equity shares aggregating to Rs.12,26,50,000/-
Names of the investors	:	<ul style="list-style-type: none"> • A B M Wood Décor Private Limited; • Bianca Home LLP; • Furniture Kraft International Private Limited; • Space Wood Furnishers Private Limited; and • Peps Industries Private Limited <p>None of the proposed allottees belongs Promoter Group.</p>
Post allotment of securities - outcome of the subscription, issue price / allotted price (in case of convertibles), number of investors	:	Not Applicable
In case of convertibles - intimation on conversion of securities or on lapse of the tenure of the instrument	:	Not Applicable

Independent Auditors' Limited Review Report on Unaudited financial results of Praxis Home Retail Limited for the quarter and nine months ended December 31, 2024, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended)

To the Board of Directors of Praxis Home Retail Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Praxis Home Retail Limited** ('the Company') for the quarter and nine months ended December 31, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. Basis for Disclaimer of Conclusion

- a) As stated in note no. 5a of the financial results of the Company, it has "Deposit receivables towards matured lease agreement (which were given in the nature of security deposit)" from a related party of an amount of Rs. 10,100 lakhs. The Company has not identified & recognised loss allowance for expected credit losses (ECL) on such other receivables, which is not in conformity with the requirements of Ind AS 109 "Financial Instruments". Further, we are informed by the management that till date the Company has not received any appropriate / adequate response from the lessor towards refunding such amount. Considering these facts and the available financial position / statement of such related party where there is an indication about material uncertainty towards its ability to continue as going concern and where an Resolution Professional has been appointed by Hon'ble National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 and other relevant surrounding circumstances, we are unable to determine and quantify whether this amount will be fully recoverable and it requires any provision of ECL.



Further, on January 9, 2025 the RP of Future Enterprises Limited (FEL) has filed an Interlocutory Application (IA) in Company Petition (IB), before the National Company Law Tribunal, Mumbai bench against, amongst others, the Promoter of the Company and the Company. Under the said IA, the RP has, inter alia, claimed lease rental amounting to Rs.4577 lakhs from the Company for the in-store retail infra-assets leased by FEL to the Company.

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

- b) Balances of trade payables aggregating to Rs. 9,480.21 lakhs are subject to confirmations and reconciliations, if any, are not ascertainable. This matter was also modified in our report on the financial statements for the year ended March 31, 2024.
- c) As stated in note no. 8 of the financial results, during the nine months ended the Company has written back certain trade payables and provisions aggregating to Rs. Nil and Rs. 3,770.86 lakhs (Including write back of related parties balance and provisions of Rs. Nil and Rs. 2,693.72 lakhs) for the quarter and nine months ended December 31, 2024, respectively, reasons of which are not known to us. Hence, we are unable to comment on the correctness of these values, and if any adjustments are required to the said balances as on the December 31, 2024 and related disclosures in the financial results. The above amount includes amount due to one of the related parties which is under Corporate Insolvency Resolution Process whose Resolution Professional has raised a claim of Rs. 2,321 lakhs along with interest which has been denied by the Company and not recognised in the books, as explained in note no. 7
- d) As stated in note no. 6 of the financial results wherein it is stated that the Company has not assessed the impairment of Rights of Use assets (ROU), having value of Rs. 9,752.00 lakhs as on December 31, 2024 considering the Company has incurred cash losses during the period and its net worth is completely eroded. We are unable to comment upon the impact arising on the loss and EPS for the quarter and nine months ended December 31, 2024 and on the carrying value of ROU & other equity as on December 31, 2024. This matter was also modified in our report on the financial statements for the year ended March 31, 2024.
- e) We draw attention to note no. 3 in the financial results which states that during the quarter, the Company has incurred a cash loss of Rs. 3,755.07 lakhs and its net worth is negative as on December 31, 2024. Further, the Company's current liabilities exceeded its current assets. The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next twelve months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.



5. Disclaimer of Conclusion

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

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E



Ravi Kapoor

Partner

Membership No. 040404

UDIN: 25040404BMLANC2899



Place: Mumbai

Date: February 12, 2025

Praxis Home Retail Limited

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

CIN: L52100MH2011PLC212866

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Statement of Financial Results for the Quarter and Period Ended December 31, 2024

		(₹ in Lakhs)					
Sr. No.	Particulars	Quarter ended			Period ended		Year ended
		31.12.2024 (Unaudited)	30.09.2024 (Unaudited)	31.12.2023 (Unaudited)	31.12.2024 (Unaudited)	31.12.2023 (Unaudited)	31.03.2024 (Audited)
1	Income						
	a) Revenue from Operations	3,395.92	2,634.56	6,403.78	9,176.88	17,339.82	21,957.77
	b) Other Income (Refer Note 8)	2.81	2,177.26	31.33	3,887.81	508.17	636.16
	Total Income	3,398.73	4,811.82	6,435.11	13,064.69	17,847.99	22,593.93
2	Expenses						
	a) Purchase of Stock in trade	1,551.86	1,168.60	3,896.98	3,544.30	9,591.48	10,316.80
	b) (Increase)/Decrease in Inventories of Stock in trade	402.80	375.66	(657.76)	1,668.08	(518.49)	1,053.26
	c) Employee Benefits Expenses	566.69	697.30	1,139.6231	2,202.07	3,368.83	4,355.29
	d) Finance Costs (Refer Note 13)	193.07	527.80	633.9486	1,331.81	1,602.36	2,206.50
	e) Depreciation and Amortisation expenses	693.80	633.56	913.2029	2,062.68	2,695.41	3,629.13
	f) Other Expenses	823.67	1,665.35	2,364.76	4,314.75	6,328.24	8,765.68
	Total Expenses	4,231.89	5,068.27	8,290.74	15,123.69	23,067.82	30,326.66
3	Profit / (Loss) before Exceptional Items and Tax (1-2)	(833.16)	(256.45)	(1,854.63)	(2,059.00)	(5,219.83)	(7,732.73)
4	Exceptional Items	-	-	-	-	-	(838.51)
5	Profit / (Loss) before Tax and after Exceptional Items	(833.16)	(256.45)	(1,854.63)	(2,059.00)	(5,219.83)	(8,571.25)
6	Tax Expense						
	a) Current Tax	-	-	-	-	-	-
	b) Deferred Tax Liability / (Asset)	-	-	-	-	-	-
7	Profit/(Loss) for the period (5-6)	(833.16)	(256.45)	(1,854.63)	(2,059.00)	(5,219.83)	(8,571.25)
8	Other Comprehensive Income/(Loss)						
	Items that will not be reclassified to Profit & Loss						
	(a) Remeasurements of Defined benefit plans	-	-	(5.00)	-	(15.00)	(49.11)
	(b) Income Tax relating to above	-	-	-	-	-	-
	Other Comprehensive Income/(Loss) for the period	-	-	(5.00)	-	(15.00)	(49.11)
9	Total Comprehensive Income/(Loss) (7+8)	(833.16)	(256.45)	(1,859.63)	(2,059.00)	(5,234.83)	(8,620.35)
10	Paid up Equity Share Capital (Face Value ₹ 5/- per share)	6,760.91	6,260.91	6,247.78	6,760.91	6,247.78	6,260.91
11	Other Equity						(10,578.44)
12	Earnings per Equity Share (Face value of ₹ 5/- each)						
	Basic EPS in ₹ (* not annualized for Quarter & Period ended)	(0.62)	(0.20)	(1.48)	(1.61)	(5.19)	(7.35)
	Diluted EPS in ₹ (* not annualized for Quarter & Period ended)	(0.62)	(0.20)	(1.48)	(1.61)	(5.19)	(7.35)

Notes:-

- The above financial results have been prepared in accordance with recognition and measurement principles of the Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. Further, these financial results also have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended.
- 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 Company has incurred a cash loss of ₹ 3,855.07 lakhs during the period ended December 31, 2024. Further, its current liabilities exceed its current assets which indicate a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. In the current period, the Company has raised funds through issue of share warrants amounting to ₹ 487.50 lakhs, issue of equity shares amounting to Rs 1200 lakh (as referred in note no 10) and also is in the process of raising further funds by issuing shares on right basis to improve its liquidity position. Further, the Company is committed to improve its operational efficiency and has taken various initiatives to boost sales and reduce cost. These initiatives will yield desired results and the management is confident that the network will turn positive in the near future and yield sustainable cash flows to meet all its obligations. Accordingly, the financial results of the Company have been prepared on a going concern basis.
- 9% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each ("NCRPs") aggregating to ₹ 630 lakhs held by Future Enterprises Limited ("FEL") were due for redemption on December 8, 2022. As per the provisions of the Companies Act, 2013 and rules made thereunder, the redemption of any NCRPs to be made out of only profits available to be distributed as dividend or proceeds of any fresh issue of shares made for the purposes of such redemption. As the Company has not earned any profit during the current quarter / previous year and no proceeds of any fresh issue of shares made for the purposes of such redemption, the Company could not redeem the NCRPs. Till these NCRPs are not redeemed, it would continue as unredeemed preference capital in accounts of the Company till redemption.

PRAXIS HOME RETAIL LIMITED

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

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CIN: L52100MH2011PLC212866

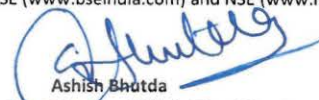


- 5 a) During the year ended March 31, 2023, tenure of a lease rental agreement entered by the Company with a related party (Lessor) expired. In the past, the Company has given security deposits of ₹ 10,100 lakhs pursuant to such agreement. The Company still holds the possession of the moveable assets (PPE) taken by it under this agreement for its usage. The Company is following up with the lessor to recover the amount of security deposits. During the year ended March 31, 2023, the Company has obtained a valuation report of such assets by an independent professional firm. The Company believes that these receivables are secured by the assets, which are in its possession, whose value as determined by the independent valuer is higher than the security deposits and hence the Company has considered the security deposits as secured and good and fully receivable. Further, till the time these assets are in the possession of the Company, which will be surrendered on receipt of the amount of ₹ 10,100 lakhs, as conveyed by the Company to such related party, no lease rental charges will be paid post the closure of the tenure of this agreement. Accordingly, no provision towards lease rental, if any, to be claimed by such related party in the future has been provided in the books of accounts. Subsequent to close of the quarter, the the Resolution Professional ("RP") of Future Enterprises Limited ("FEL" / "Corporate Debtor") has filed an Interlocutory Application (IA) in Company Petition (IB) No.513/NCLT/MB/2022 on January 9, 2025, before the National Company Law Tribunal, Mumbai bench under the Insolvency and Bankruptcy Code, 2016 against, amongst others, the Promoter of the Company and the Company. Under the said IA, the RP has, inter alia, claimed lease rental amounting to ₹ 4577 lakhs from the Company for the in-store retail infra assets leased by FEL to the Company. The Company is in the process of filing its reply disputing all the claims. Till the time the claim is not substantiated, it is considered as contingent liability.
- b) On the above matter related to the security deposits, the statutory auditors have modified their audit opinion in their previous year's audit report. This matter is still not resolved and consuming time as an Resolution Professional has been appointed for the entity of the Lessor by Hon'ble National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016. The Company is deliberating to take appropriate steps in such circumstances. The Company will also take steps to obtain the balance confirmations.
- 6 During the period, the performance of the Company was affected due to shortage of inventory and liquidity. Most of the stores of the Company were running into losses during this period, which may trigger up the requirement for providing impairment on Right of Use (ROU) Assets of ₹ 9,752.00 lakhs. However, as management has raised funds of ₹ 1,687.50 lakhs through Preferential Issue (as referred in note no 9 and 10) during the period ended December 31, 2024 and is in the process of raising further funds through issue of new shares on right basis, it is confident that the liquidity and profitability position of the Company will improve by the end of current financial year. And hence, it envisages that there may not be a need arising to provide any impairment on ROU in the current period.
- 7 Resolution Professional (RP) of Future Lifestyle Fashions Limited ("FLFL") has filed an Interlocutory Application against the Promoter, Mr. Kishore Biyani and Praxis Home Retail Limited ("Respondents") before Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), in the matter relating to Corporate Insolvency Resolution Process initiated against FLFL, which is received by the Company on 4 January 2024. In the said Interlocutory Application filed against the Respondents, the RP has prayed to NCLT to treat the transactions carried out by the erstwhile directors of the Corporate Debtor as fraudulent transactions, in accordance with Section 66 of the Code and has sought directions from NCLT directing the Respondents to pay the amount due to FLFL to the tune of ₹ 2,321 lakhs along with interest. The Company has already submitted its reply and denied all the claims. Till the time the claim is not substantiated, it is considered as contingent liability.
- 8 Other Income for the period ended December 31, 2024 includes ₹ 3,770.86 lakhs on account of write back of trade payables and provisions (including write back of related parties balance and provisions of ₹ 2693.72 lakhs).
- 9 Pursuant to the Shareholders' approval in the Extraordinary General Meeting on April 27, 2024, the Company on May 09, 2024 issued and allotted 45,07,629 Convertible Warrants at a price of ₹ 43.26 each Warrant to the Specified Investor - Bennett Coleman And Company Limited, on preferential allotment basis, on receipt of 25% (₹ 487.50 lakhs) of the total consideration price (₹ 1,950 lakhs). The Warrants shall be converted into equity shares at a conversion price of ₹ 43.26 per equity share on receipt of the remaining consideration of 75% within a period of 18 months from the date of allotment of Warrants.
- 10 During the quarter under review, the Company received an amount of ₹1,200 lakhs towards remaining subscription amount upon conversion of warrants and accordingly, the Company allotted one crore equity shares at an issue price of ₹16/- per share (including premium of ₹11/- per share) on October 15, 2024.
- 11 During the quarter, the Company granted five lakh stock options to the eligible employee under the ESOP-2024. These stock options shall entitle the option grantee to purchase the equity shares in the Company after vesting and within the exercise period.
- 12 During the quarter, the Board of Directors of the Company had approved raising of funds by way of issue of new equity shares on Rights basis. The Company has made necessary applications to the Stock Exchanges for their in principle approvals for said Rights issue. At the end of the quarter, these applications were pending disposal by the Stock Exchanges.
- 13 In view of weak financial situation and upon the requests made by the Company, the lenders of the loans which are also related parties of the Company, have agreed to waive the interest accrued on the loan from April 1, 2024 till December 31, 2024 aggregating to ₹ 466.33 lakhs on the loans given to the Company. Accordingly, provisions made for the accrued interest since April 1, 2024 has been reversed during the quarter.
- 14 Subsequent to close of the quarter, warrant holders did not exercise the option to convert three crore equity share warrants within the conversion period ending on February 2, 2025. These equity share warrants were cancelled by the Company and application money amount of ₹1,200 lakhs received on August 2, 2023 was forfeited in terms of the issue of said warrants and treated as Capital Reserve.
- 15 During the quarter and period ended December 31 2024, the Company did not have any holding, subsidiary or associate company.
- 16 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period/year.
- 17 The figures for the quarter ended December 31, 2024 and December 31, 2023 are the balancing figures between figures in respect of the full financial year and the published year to date figures upto the end of the second quarter of the relevant financial year.
- 18 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 12, 2025.
- 19 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 : February 12, 2025




Ashish Bhutda

Chief Executive Officer and Whole Time Director



PRAXIS HOME RETAIL LIMITED

CIN: L52100MH2011PLC212866

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

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