

# PRAXIS

HOME RETAIL LIMITED  
ANNUAL REPORT 2017-18







## Inspiring homes

Ours is a simple but a powerful story of passion for creating beautiful homes for people. Homes that are unique and mirror who they are. It's about creating a warm space where they can invite guests into a welcoming living room or around a well laid table. Its about creating a cocoon where they can take a moment just for themselves away from the hum of everyday. And we do so through high quality products, exclusive styles, timeless design and seamless shopping solution in-store and online. And in doing so, we curate inspirations for home – a home that people don't just occupy, but the one in which they live their life.



# Corporate Information

## Board of Directors

### Mr. Viraj Didwania

Chairman & Managing Director  
DIN: 02412474

### Mr. Shrirang Sarda

Non-Executive and 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 Auditor

### Pathak H.D. & Associates

Chartered Accountants  
Firm's Registration No. 107783W

## Secretarial Auditor

### M/s. Anant Gude & Associates

Practising Company Secretary  
ACS. No. 7219 / CP No. 18623

## Chief Financial Officer

### Mr. Harish Parasuram

## Company Secretary & Compliance Officer

### Ms. Smita Chowdhury

## Registered & Corporate / Store Support Office

iThink Techno Campus, Jolly Board Tower D,  
Ground Floor, Kanjurmarg (East),  
Mumbai – 400 042, Maharashtra

## Corporate Identity Number

U52100MH2011PLC212866

## Date of Incorporation

31st January, 2011

## ISIN of the Company's Equity Shares of ₹ 5/- each

INE546Y01022

## Investor E-Mail-Id

investorrelations@praxisretail.in

## Website of the Company

www.praxisretail.in

## Stock Exchanges where the Company's Equity Shares are listed

### BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001

**BSE Security ID/Code:** PRAXIS / 540901

**Date of Listing:** 31st January, 2018

### National Stock Exchange of India Limited (NSE)

Exchange Plaza, C – 1, Block G, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051

**NSE Symbol:** PRAXIS

**Date of Listing:** 31st January, 2018

## Depositories

### National Securities Depository Limited

Trade World, A Wing, 4th Floor, Kamala Mills Compound,  
Lower Parel, Mumbai – 400 013

### Central Depository Services (India) Limited

Marathon Futurex, A Wing, 25th Floor,  
N M Joshi Marg, Lower Parel, Mumbai – 400 013

## Registrar & Transfer Agents

### M/s. Link Intime India Private Limited

SEBI Registration No. INR000004058

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

Tel. No. +91-22-49186000

Fax No. +91-22-49186060

E-Mail-Id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## Bankers

RBL Bank Limited

State Bank of India

Axis Bank Limited

# Contents

## Corporate Overview

Corporate Information	2
About Praxis	4
Snapshots	5
Products Philosophy	6
Key Highlights 2017-18	8
Our Presence	9
From the Chairman's Desk	10
Board of Directors & their Profile	12

## Statutory Reports

Management Discussion and Analysis	14
Board's Report with Annexures – I to VI	18
Corporate Governance Report	42

## Financial Statements

Independent Auditor's Report	58
Balance Sheet	64
Statement of Profit and Loss	65
Statement of Changes in Equity	66
Statement of Cash Flow	67
Notes to the Financial Statements	68





## About **PRAXIS**

We are Praxis, the pioneers of home retail in India. An integrated house of solutions with a wide array of offerings ranging from home furniture to customised solution to home improvement. Solidifying our presence since our first store in 2007, we are now present in 26 cities across 39 stores in India.

39

Stores

26

Cities

**hometown.in**  
Online Store

Spread across

8.46

Lakh sq. ft.

of operational space

## Our Values

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

### Indianness

Believing in the Indian way and in oneself

### Leadership

In thought and in business

### Respect & Humility

In dealing with everyone within & outside the organization

### Introspection

For continuous learning, self-development and personal excellence

### Openness & Adaptability

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

### Valuing and Nurturing Relationships

With customers, business associates, stakeholders, communities and society

### Simplicity & Positivity

To foster innovation, speed and imagination

### Flow

Learn and be inspired from the universal laws of nature

Our Brands



odèle\*

Living Essence\*

\*Licensed Brands

Serving over a million  
customers annually

Around

1,750 employees

across India

Customers today live in a seamless environment of the physical and digital world. Our business mirrors that with options to discover, shop and pay in-store or online by creating an easy, inspiring, convenient shopping experience for our customers.



## Product Philosophy

For us understanding people's lives at home is the most natural place to start. Our design and product development teams visit people's homes to understand what makes home a better place and create products that are sustainable, trendy and great value for money.

Our product range is truly diversified and wide. Wide in function and wide in style.



## Furniture



## Homeware



## Modular Kitchens



## Design and Build



## Bath Luxury



## Electronics



# Key Highlights 2017-18

**6**  
New Stores



New Stores

- Noida • Hyderabad • Gurugram
- Vashi • Nashik • Guwahati



# Our Presence



This map is not to scale. It only represents the cities in which HomeTown has its stores across the country.

# From the Chairman's Desk

Maximizing our potential to perform and deliver to our happy customers.



## Dear Shareholders

On behalf of the Board of Directors and the management team of the Company, I have immense pleasure sharing the Annual Report of your Company, Praxis Home Retail Limited, the independent listed avatar of HomeTown, the erstwhile division of Future Retail Limited. With the demerger that was completed during financial

year 2017-18, we have started a new journey as an independent Company, with 39 stores in 26 cities catering to over one million customer visits annually, with a well-recognized brand - "HomeTown".

## Industry

India's furniture industry is the 14<sup>th</sup> largest in the world in terms of value with the organised market expected to grow at over 20% per annum and cross ₹ 2.2 lakh crore by 2020. This growth has been fuelled by several factors namely Foreign Direct Investment (FDI) in the Indian real estate sector, the government's "Housing-for-All by 2022" initiative, development of 100 smart cities, the anticipated increase in tourism, hospitality, retail and hospital sectors etc.

Apart from sheer volume growth, the contours of the market are also changing, shaped by emerging trends such as growing preference for global designs-European and South East Asian, changing lifestyle choices, especially of the middle class and most importantly increased disposable income creating more eclectic tastes. We have robust plans to cater to this growing demand that will come from all segments of the Home Retail industry – residential, commercial, contractual and institutional.

## Customers

At Praxis, we believe in customer centricity and to gauge customer loyalty, we have instituted a leading customer satisfaction measure, the Net Promoter Score (NPS) during financial year 2017-18. We are very happy to state that we achieved an average NPS of 82%, a high score which we want to improve further. Another measure of Customer satisfaction 'On Time Delivery' averaged 89%. We are confident that we will sustain this culture of continuous improvement in customer satisfaction measures that will spur sustained and profitable growth.

## Expansion

We opened 6 new stores in Noida, Hyderabad, Gurugram, Vashi, Nashik and Guwahati during

financial year 2017-18 taking the total number of stores to 39, adding 1.3 lakh sq ft of retail space in the process to take the total to 8.6 lakh sq ft. We also plan to increase our retail footprint significantly during financial year 2018-19 and will continue to expand our physical presence wherever we believe our target customer resides. This will include opening stores in new cities as well as strengthening our dominant position in existing ones.

### Technology

We believe technology is a strategically critical resource which will help us improve both customer experience and employee efficiency and will drive sustainable profitable growth. To tap this, we have identified several technological initiatives of which I will elaborate on the following:

- **Customer Relationship Management (CRM)** – Our rejuvenated CRM will give our sales teams and customer service agents, amongst other features, a 360-degree view of the customer, leading to an enhanced potential for generating more effective customer journeys.
- **Endless Aisle** – This technology will allow customers to view and order products that are either out of stock or not sold in-store and have them shipped directly to their homes thus presenting the customer with a significantly larger product assortment.
- **Digital Web Experience** – Our revamped website and app will help us improve our sell-through, provide a better Pre-sales and Post-sales experience and improve store guidance and discovery. Our fully functional ecommerce portal is a key step towards building an omni-channel presence and will initiate the digitization journey for us.

### Governance

Good corporate governance is imperative to a company's success and towards this, we have set up a 6-member Board of Directors, comprising eminent professionals. In keeping with the traditions of good governance, we have also ensured that the Board is predominantly independent. Additionally, the Board

Members have brought diverse perspectives that have added immense value to the process of strategically steering the Company forward.

### People

We have also focused on setting up a complete leadership team and added the necessary positions to achieve this which has not only strengthened the talent pool but has also helped us imbibe the best practices from other industries, including retail and FMCG. We are also building an enabling, performance-oriented culture that focuses on the customer and ensures both Strategic brilliance and Operational excellence.

We are all committed to spending time and effort to consistently better employee engagement. We strongly believe that engaged employees know and do best to contribute to the organizational goals and stakeholder delight. With an intent to make your Company an employer of choice, we participated in the Great Place to Work (GPTW) survey and are now a GPTW certified workplace. The survey helped us understand and improve employees' experience at our work place.

We are proud and grateful for our long-standing affiliations with all our partners viz. shareholders, customers, employees, suppliers, other business associates, regulatory authorities and all other stakeholders.

### Outlook

We believe we are focusing on the right building blocks viz; customer focus, right growth strategies, efficient operations and effective governance and will continue to strengthen these which will yield significant stakeholder value creation over the long term. We are also excited about global players like Ikea entering the Indian market which is not only indicative of the organized sector's potential but will also help increase its size.

The year 2018 has been a great year for us and I am thankful to each one of you for your support and trust in us.

**Viraj Didwania**

Chairman & Managing Director

## Board of Directors



**Mr. Viraj Didwania**  
Chairman &  
Managing Director  
DIN: 02412474

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 four years experience in managing silver wholesale trading business in India.



**Mr. Shrirang Sarda**  
Non-Executive &  
Non-Independent Director  
DIN: 00576667

Mr. Shrirang Sarda graduated in Commerce from BYK College of Commerce and MBA from Simon Business School, University of Rochester in 1996. He 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 oversaw 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.

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.



**Mr. Shantanu Shah**  
Independent Director  
DIN: 07012322

Mr. Shantanu Shah graduated in Computer Engineering from University of Pune in 2003 and completed his Masters in Computer Engineering from Cornell University, New York in 2006. In addition to this he has successfully completed a certificate course from Stanford Graduate School of Business for Entrepreneurial Studies.

Mr. Shah, is the Founder, Director and Chief Technical Officer of Bewgle, Inc. which is building Artificial Intelligence technologies for online shopping companies. The company is funded by SAP, one of the largest software organizations in the world, and the prestigious Techstars accelerator. Bewgle has business interests in India and Europe.

Prior to founding this company, Mr. Shantanu Shah worked as a Senior Software Engineer and Tech Lead for Google, Inc in New York City, USA from 2006-2012 and Bangalore, India from 2012-2015. During his employment at Google, Mr. Shantanu has won the prestigious OC Award (the highest award given to individual employees at that time) for his innovative work in Google Search and Google Maps. He was instrumental in conceiving and launching OneToday, a social good initiative by Google. He has also led technical teams in Google Docs and Emerging Markets areas.

Mr Shantanu is a practitioner of meditation since 2003 and is also a teacher of the Art of Living Foundation (an educational and humanitarian NGO operating in 154 countries). He has successfully led major campaigns for the organization such as the "Take A Breath DC" and "Smile Campaign" conducted in Washington DC involving over 3000 participants.

**Mr. Pankaj Bhargava**

Independent Director

DIN: 02685275

Mr. Pankaj Bhargava graduated in Chemical Engineering from IIT Bombay in 1987 & completed his post graduation (PGDM) from IIM Calcutta in 1991.

He is one of the founders and Director of COE Creators International Private Limited, an enterprise focused on strategic consulting in enabling organizations to grow. He worked with Marico Limited for 16 years from 1991-2007 in Human Resources. His last assignment at Marico was Chief – Human Resources.

Pankaj was involved in partnering the growth of Marico by building a strong culture of meritocracy, openness, innovation & people development that enabled growth of business.

On leaving Marico, he started People Builders in 2007 (that has now merged with COE Creators) & has since then worked with over 85 organizations over the last 10 years facilitating their growth through strategic interventions & long term partnering. He is the only certified ToP facilitator in India. Using the ToP approach to facilitation (an approach developed by Institute of Cultural Affairs over 50 years back), he has facilitated organizations across various sectors (corporate, academic & social) and across various countries in South East Asia, South Asia & Middle East.

**Mr. S. Subramanian**

Independent Director

DIN: 00092215

Mr. S. Subramanian is a Post Graduate Naval Architect from University of London. He served in the Indian Navy as a Naval Architect for 20 years designing and building Indigenous warships till 1994. Thereafter, he was a director of Tebma shipyards, designing and building off shore vessels, till 2006. He set up his consultancy firm Ska Marine services in 2007 and offered specialist design and consultancy services to Ship Building Industry for Projects Management and Materials Management for leading Indian Shipyards. He is also a specialist Enterprise Planning Consultant.

**Ms. Sridevi Badiga**

Independent Director

DIN: 02362997

Ms. Sridevi Badiga runs a cross-border advisory practice working closely with a network of family offices and institutional investors in the Middle East. She has worked on various strategic cross-border deals in Kuwait, Bahrain, Qatar and Dubai, primarily in Investment Banking.

She is currently a Director on the Board of Future Retail Limited, India's largest retailer by square footage.

Sridevi was an Investment Banker with JPMorgan in New York and Hong Kong in the Power and Infrastructure group, focusing on transactions in Thailand and the Philippines.

She was a part of Gap Inc.'s Corporate Finance team based in San Francisco where she managed Gap Inc.'s \$1 billion foreign exchange hedging program; conducted a series valuation exercises of brands including Gap, Banana Republic and Old Navy; evaluated financing strategies to support Gap Inc.'s international expansion in Europe & Asia.

Sridevi received MBA from the Kellogg School of Management in Chicago and BBA in Accounting from Hofstra University in New York. She is an avid sports enthusiast and has a certificate in patisserie making from Le Cordon Bleu, Paris.

## Management Discussion and Analysis

The Indian Retail Industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players, accounting for over 10 percent of the Country's Gross Domestic Product (GDP) and around 8% of the employment. India is the world's fifth-largest global destination in the retail space. Indian Retail Industry has immense potential as India has the second largest population with affluent middle class, rapid urbanisation and rapid increase in internet penetration. While on one hand the boom in the residential real estate industry over the last few decades has given an impetus to the home décor market, it has on the other increased consciousness and upgradation in style of living among home owners has boosted the demand for stylish interiors and colourful classy décor.

During the year under review, the Scheme of Arrangement between Future Retail Limited ('FRL') and Bluerock eServices Private Limited ('BSPL') and Praxis Home Retail Limited ('PHRL' or 'the Resulting Company' or 'the Company') and their respective Shareholders under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("**the Scheme**") was made effective on 20<sup>th</sup> November, 2017. As a result, Home Retail Business Undertaking of FRL (as on appointed date 1<sup>st</sup> August, 2017) and e-Commerce Home Retail Business Undertaking of BSPL (as on appointed date of 15<sup>th</sup> April, 2016) is now vested with the Company.

Post Demerger, your Company now operates stores of home furniture and home fashion under the brand name of HomeTown and also operates the web portal ([www.hometown.in](http://www.hometown.in)) to drive online sales of Furniture, Furnishing products with wide range of assortment catering to large section of customers. 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 is a one-stop shop that brings together under one roof 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, flooring, tiles, plumbing, wallpaper among others, along with great in-store experience. Currently, HomeTown has a pan India presence with 39 stores, across 26 cities and 13 states majorly in Maharashtra, West Bengal, Karnataka, Uttar Pradesh, Telangana and Delhi NCR.

The Demerger has resulted in consolidation of physical and online Home Retail Businesses under the single roof of the Company and has given a focused leadership and dedicated Management with greater visibility on the performance of physical and online formats.

With regards to the vesting of demerged Home Retail Business Undertaking of Future Retail Limited, the Company had completed the entire process, starting with the Board approval in April 2017, approval of Shareholders in September 2017 and finally sanction of Hon'ble Mumbai Bench of National Company Law Tribunal (NCLT), in November 2017. The Scheme has been given effect in the books of accounts of the Company, with effect from 1<sup>st</sup> August, 2017 for FRL and 15<sup>th</sup> April, 2016 for BSPL, post completion of necessary compliance. 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, profitable 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 Bajaj Finserv 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.



## Management Discussion and Analysis (Contd.)

### Operational Overview

Your Company is focussed on the objective of improving its Return on Capital Employed (ROCE) and it would continue to take necessary steps to improve the financial position.

As part of Company's plan to remain relevant to the internet-savvy new age consumers and other stakeholders, the Company, in coming months, proposes to focus on various digital initiatives. As a result, e-commerce has become an important pivot of growth. Your Company has taken definitive steps to stay ahead of the curve in this space; and has identified and appointed dedicated resources and is working with top-class consulting companies for growing the e-commerce business.

Your Company continues to strive hard for optimising productivity on per store basis. The optimum utilisation of the retail space, introduction of new and high demand products, better negotiation with vendors, attracting customers to stores to increase overall customer footfall and then better conversion rate would result in better store productivity as well as better contribution per square foot of retail space.

### Brand, Customer and Marketing Overview

HomeTown is a one-stop shop destination for all home interior needs for the lifestyle seeking consumer. The brand is targeted at the aspirational upper-middle class consumer, seeking good quality, trendy and functional furniture, homeware and interior solutions. HomeTown has emerged to be the number one player in the organised home retail category and a strong aspirational lifestyle brand.

True to the brand positioning of 'Art of Better Living', HomeTown brand's vision is to inspire people to create living spaces that are beautiful, partnering with customers in building their dream homes by offering wide range of great quality and thoughtfully curated products, personalised buying experience and unmatched customer service.

Our marketing efforts are focussed on increasing brand salience and lead generation with print and outdoor advertising forming the core of our awareness strategy. Digitisation, Big Data and Omnichannel marketing are the key strategic themes for driving growth in the coming years. Digitisation efforts like Marketing Automation with Salesforce offer opportunities to deliver on our strategy of being a default home shopping destination by creating unique customer journeys and personalised dialogues with customers based on their needs and requirements

throughout their lifecycle. Big Data Analytics offers us opportunities to understand each customer segment in a unique manner and formulate selling and marketing strategies relevant to their attitude and purchase needs. Omnichannel marketing will ensure a fully integrated approach to deliver a unified and seamless experience across physical and online store.

### Competition

Your Company is a part of the Future Group, which is a pioneer in organised Retail Industry. As of 31<sup>st</sup> March, 2018, the Company operates 39 stores covering 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, flooring, tiles, plumbing, wallpaper among others, along with great in-store experience. Praxis has presence across both metro and tier II cities and future expansion plans are in line with the need to serve the target customer.

Your Company is determined to increase sales from its existing stores and optimising its value chain, reduction in operating costs, improving margins and increasing sales thereby adding to the bottom-line. Goods and Services Tax (GST) is one of the biggest indirect tax reforms which India has ever witnessed. The enactment of the GST legislation has been a milestone reform that has created a win-win environment for all stakeholders with an integrated and productive economy and is expected to further boost economic growth.

### 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 are very proud to state that post the Demerger, we have taken several initiatives in this direction.

Your Company currently employs approximately 1,750 employees spread across 39 stores and 26 cities. With an aim to hire and retain good talent we have revamped our hiring strategy and incorporated the Top Grading methodology of recruitment which is a detailed multiple step interviewing process including competency and role-based interview.

With an intent to make your Company an employer of choice, we undertook the Great Place to Work survey in which the strengths and weakness of the organization were highlighted after a detailed analysis.

## Management Discussion and Analysis (Contd.)

You would be happy to know that your Company has been certified a “Great Place to Work” based on the engagement survey and an audit of its policies and practices adding another feather to its cap. This is a proud moment for your Company, as this was the first year of participating in such an engagement survey. Learning from the findings, your Company is now investing in transformational projects by aligning with larger business goal of growing at a fast pace.

### Business Outlook

With the unorganized and fragmented players forming almost 80% of the furniture market, India offers immense opportunities for domestic and international players. The demand for furniture is growing in the country on account of increasing purchasing power of the consumers, changing lifestyle, increasing urbanization and widespread availability in tier II and III cities. The domestic furniture market in India is highly unorganized with regional players offering a stiff competition to leading furniture companies, which form the organized sector in the Indian furniture market. To increase product availability, your Company has entered into tie-ups with e-commerce marketplaces such as Flipkart and Amazon.

According to “**India Furniture Market Forecast & Opportunities, 2019**”, the Country’s furniture market is projected to grow at a CAGR of around 26% during 2014-19. Home furniture segment is the leading contributor, followed by office and institutional segment. Western region is expected to be the highest revenue contributor in Indian furniture market, followed by southern region due to the presence of large number of industrial hubs and upcoming infrastructure developments in these regions. Over the next five years, the Indian furniture market is expected to witness increasing consolidation due to growing entry of international companies as a result of the government’s 100% FDI approval in the Country’s furniture industry. Consequently, the value share of small and mid-sized furniture players forming the unorganized sector is expected to decrease over the coming years.

### Risks and Threats

Risks might be with respect to regulatory changes pertaining to the industry in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of

India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, and changes in the competitive environment.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to general political, social and economic conditions in India and other countries. Strikes or work stoppages by our employees or contractual employees, increasing competition in, and the conditions of, the Indian Retail Industry, failure to continue business or undertake projects on commercially favourable terms, changes in government policies, including introduction of or adverse changes in tariff or non-tariff barriers, foreign direct investment policies, affecting the retail industry generally in India, accidents and natural disasters are factors which are beyond our control.

We expect significant demand for our products and hence require to continuously evolve and improve our operational, financial and internal controls across our Organization, and 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.

Delay in store openings will impact our schedules and cause cost and time overruns. In addition, our expansion may present distribution and merchandising challenges that differ from those in our current operation. Addressing the challenges arising from our growth entails substantial senior level management time and resources and would put significant demands on our Management team and other resources. Any inability to manage our growth may have an adverse effect on our business and results of operations.

There can be no assurance that we will be able to execute our strategy on time and within the stipulated budget or that we will meet the expectations of the customers and achieve our planned growth. Further, large number of stores may increase our fixed operating costs, and there can be no assurance that we will experience a commensurate increase in revenue or derive operational synergies to offset these higher costs. Our inability to manage our growth could have a material adverse effect on our business, results of operations and financial condition.

## Management Discussion and Analysis (Contd.)

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.

Your Company always strives to mitigate each of the above discussed risks both internal and external risks. We shall also note that at this time, we do not anticipate any major adverse change in the macroeconomic factors.

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. Further, use of information technology for implementation as well as regular review and evaluation of such risks and risk mitigation action plan by Management ensures minimisation of such risks.

### Internal Controls and their adequacy

The Company has identified the key risks and control processes to mitigate the same. Further, the Company uses Enterprise Risk Management to identify and define new risks and establish the control processes to mitigate the identified risks. Further, the Internal Control Framework for financial reporting, organization structure, documented authorities and procedures and internal controls are being reviewed by the internal audit team on a continuous basis and any issues arising out of the said audit are addressed appropriately. The Company is also continuously upgrading its internal control systems by measuring state of controls at various locations. Controls in SAP, our ERP system have been strengthened.

The Audit Committee, comprising of Independent Directors is involved in regular review of financial and risk management policies, significant audit findings, the adequacy of internal controls and compliance with the applicable accounting standards.

### Review of Financial Performance of the Company for the year under review.

In light of the aforesaid Scheme, the figures for the current financial year is not comparable with the last financial year on account of various adjustments including accounting treatments given effect for the vesting of incoming business undertakings from FRL and BSPL with the Company.

### Statement of Profit and Loss review:

During the financial year ended 31<sup>st</sup> March, 2018, the Company's Revenue from Operations was ₹ 38,054.06 Lakh. The Company's Finance Costs was ₹ 227.02 Lakh for the financial year ended 31<sup>st</sup> March, 2018. Net Loss during the fiscal was ₹ 199.10 Lakh.

### Equity Share Capital:

Pursuant to the Scheme, 2,46,33,208 Equity Shares were issued and allotted to the shareholders of FRL. The equity shares of the Company were listed on the Stock Exchanges (BSE Limited and National Stock Exchange of India Limited) w.e.f. 31<sup>st</sup> January, 2018, post receipt of trading approvals from the Stock Exchanges.

### Preference Share Capital:

Pursuant to the Scheme, the shareholders of BSPL were allotted 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. 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.

### Earnings Per Share (EPS)

The Company's basic and diluted EPS was (₹ 2.67) for the financial year ended 31<sup>st</sup> March, 2018.

## Board's Report

To

The Members,

Your Directors are pleased to present the Seventh Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2018.

### FINANCIAL HIGHLIGHTS

The financial performance of the Company is as follows

Particulars	₹ in Lakh	
	Financial Year 2017-18	Financial Year 2016-17
Revenue from Operations	38,054.06	665.23
Other Income	237.51	29.63
<b>Total Income</b>	<b>38,291.57</b>	<b>694.86</b>
Profit / (Loss) before Depreciation and Amortization Expense & Tax expense	(248.11)	(1,989.41)
Less: Depreciation and Amortization expense	29.44	32.23
Profit / (Loss) before Tax	(277.55)	(2,021.64)
Less: Tax expense	(78.45)	(15.62)
Profit / (Loss) after Tax	(199.10)	(2,006.02)
Other Comprehensive Income for the year	20.93	(0.47)
Total Comprehensive Income for the year	(178.17)	(2,006.49)
Earnings Per Equity Share of Face Value of ₹ 5/- each		
- Basic (in ₹)	(2.67)	(12,602.35)
- Diluted (in ₹)	(2.67)	(12,602.35)

### REVIEW OF PERFORMANCE

During the financial year under review, the Company had a total income of ₹ 38,291.57 Lakh. The total expenditure during the year was ₹ 38,569.12 Lakh. During the year, 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 read with Section 66 of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act was made effective on 20<sup>th</sup> November, 2017 from 1<sup>st</sup> August, 2017 (1<sup>st</sup> Appointed Date) for demerged Home Retail Business Undertaking of FRL and 15<sup>th</sup> April, 2016 (2<sup>nd</sup> Appointed Date) for e-Commerce Home Retail Business Undertaking of BSPL, hereinafter referred to as "the Respective Appointed Dates". The Company had implemented various adjustments including accounting treatments of incoming Business Undertakings from FRL and BSPL in pursuance of the Order passed by the Hon'ble Mumbai Bench of National Company Law Tribunal ('NCLT') dated 10<sup>th</sup> November, 2017 and as per Indian Accounting Standards (Ind AS) adopted for the first time from financial year 2017-18. The Company has incurred a loss of ₹ 199.10 Lakh for the year under review after tax adjustments.

Your Directors do not recommend to carry any amount to the reserves.

We are the pioneers in home décor in India. HomeTown is born out of a passion for design and quality, and the commitment to make beautiful homes and better life for our customers through our stores and online presence. Our product assortment is wide in function as well as style. Our retail business format started its journey in 2007 with our first store in Noida as a one-stop shop destination for home solutions. We offer a clearly defined home offering with a wide assortment in furniture, homeware, customized solutions in kitchen and wardrobes and home improvement. We extended our presence online in 2016 with a specially curated assortment of product offering, catering to the specific needs of the new-age online customers.

Today we have a strong presence with 39 stores across 26 cities. Our expansion plan is long-term and we plan to expand our brick and mortar as well as online presence through new stores across in existing and new potential markets and digital marketplaces respectively.

### SCHEME OF ARRANGEMENT

**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 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Scheme").**

## Board's Report (Contd.)

During the year under review, pursuant to the Scheme of Arrangement between Future Retail Limited ('FRL') and Bluerock eServices Private Limited ('BSPL') and Praxis Home Retail Limited ('PHRL' or 'the Resulting Company' or 'the Company') and their respective Shareholders under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Scheme") and the post-effective date being 20<sup>th</sup> November, 2017, ("Effective date"), the Home Retail Business Undertaking of FRL and e-Commerce Home Retail Business Undertaking of BSPL vested with the Company with effect from the Respective Appointed Dates.

### SHARE CAPITAL

Pursuant to the provisions of Section 66 of the Act and in pursuance of the Scheme approved by the Hon'ble Mumbai Bench of NCLT, the issued, subscribed and paid-up equity share capital of the Company aggregating to ₹ 5,00,000/- was cancelled and consequently the paid-up share capital of the Company was reduced to that extent upon the Scheme becoming effective.

Further in consideration for the transfer and vesting of the Home Retail Business Undertaking of FRL in the Company, 1 (one) fully paid up Equity Share of ₹ 5/- each was issued and allotted to the shareholders of FRL for every 20 (Twenty) fully paid up equity shares of ₹ 2/- each held by them in FRL on 30<sup>th</sup> November, 2017 being the Record Date. Post issue of the aforesaid shares, the Equity Shares of the Company were listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), w.e.f. 31<sup>st</sup> January, 2018.

Further, 17,061 fractional shares arising out of the said allotment were consolidated and Share Certificate was issued to Mr. Anant Gude, Trustee for the shares appointed by the Company in this behalf. The said shares were dematerialized and then sold in the open market on 4<sup>th</sup> April, 2018. The net sale proceeds to extent of the entitlement of the individual shareholders were then disbursed to them on 17<sup>th</sup> April, 2018 by either crediting their bank account or issuing warrant for the same.

Any unpaid / unclaimed amount lying in the said Bank Account of the Company with Axis Bank designated for Fractional Shares Sale Proceeds for seven years or more shall be transferred to the Investor Education and Protection Fund in terms of Section 125 (2) (I) of the Act and the relevant rules made thereunder.

Further pursuant to the Scheme and in consideration for transfer and vesting of e-Commerce Home Retail Business Undertaking of BSPL in the Company, 6,30,000 (Six Lakh Thirty Thousand) 9% Non-cumulative Redeemable Preference Shares of ₹ 100/- each fully paid-up were issued to the shareholders of BSPL.

### BUSINESS OUTLOOK

Over the last few years, home decor business has contributed to a visible share in the economy one of the biggest reason being that people have started taking their home as the reflection of themselves and so a lot of people are now spending more on both furniture and fixtures and also on home decor. Factors like rise in disposable income, better education and also the growing trend of individuals opting for professional services to do their interiors have together led to a rise in this industry.

### Overview

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

### DIVIDEND

Your Directors do not recommend any dividend for financial year 2017-18.

### INVESTMENTS AND DISINVESTMENTS

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

### PUBLIC DEPOSITS

The Company has not accepted any fixed deposits from the public and as such, no amount in the nature of principal or interest on deposits from public was outstanding as at 31<sup>st</sup> March, 2018.

### 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.

## Board's Report (Contd.)

### AUDITOR AND AUDITOR'S REPORT

#### Statutory Auditor

M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration No. 107783W) were appointed as the Statutory Auditor of the Company at the Sixth Annual General Meeting held on 21<sup>st</sup> September, 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 in every Annual General Meeting during the said term.

The above mentioned proviso was omitted by Companies (Amendment) Act, 2017 and the same was notified by the Ministry of Corporate Affairs with effect from 7<sup>th</sup> May, 2018. Therefore, in light of the said amendment the appointment of M/s. Pathak H.D. & Associates, Chartered Accountants as Statutory Auditor continues for the aforesaid term of five years, without seeking any further ratification by the shareholders 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.

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.

#### Auditor's Report

The Statutory Auditor of the Company has issued the Auditor's Report on the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2018 with unmodified opinion and does not contain any qualification, reservation or adverse remark.

#### 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 2017-18, 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 2017-18 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.

### 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](http://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](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](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](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](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](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](http://www.praxisretail.in/assets/download/10.Policy_for_dealing_with_RPTs_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.

The Company has formulated and disseminated a Whistle-Blower Policy to provide Vigil Mechanism 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 behavior, 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

## Board's Report (Contd.)

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/5.Vigil\\_Mechanism\\_Final.pdf](http://www.praxisretail.in/assets/download/5.Vigil_Mechanism_Final.pdf)

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review Mr. Pawan Agarwal, Mr. Mukesh Agarwal and Mr. Krishan Kumar Biyani were appointed as Additional Directors on the Board w.e.f. 18<sup>th</sup> April, 2017, subsequently they were appointed as Directors in the Sixth Annual General Meeting of the Company held on 21<sup>st</sup> September, 2017. Mr. Girdhar Pathak and Mr. Rajendra Chaturvedi, Directors of the Company resigned w.e.f. 20<sup>th</sup> April, 2017.

Mr. Viraj Didwania was appointed as Additional Director designated as Managing Director of the Company by the erstwhile Board of Directors w.e.f. 12<sup>th</sup> October, 2017. The shareholders at the Extraordinary General Meeting of the Company held on the even date approved the appointment of Mr. Viraj Didwania as Managing Director with nil remuneration as the Company did not have any business activity during that period. The proposal for revision in his remuneration is set out at agenda item no. 4 of the Notice convening the ensuing Annual General Meeting of the Company. Further the Board re-designated Mr. Viraj Didwania as Chairman & Managing Director w.e.f. 12<sup>th</sup> December, 2017. Pursuant to the provisions of Section 152 of the Act, he holds the office of Additional Director upto the ensuing Annual General Meeting of the Company and is proposed to be appointed as a Director designated as "Chairman & Managing Director" of the Company pursuant to Section 160 of the Act. The Company has received notice from the member(s) under Section 160 of the Act signifying their intention to propose the candidature of Mr. Viraj Didwania for the Office of Director of the Company.

During the year under review, Mr. Shrirang Sarda was appointed as Additional Director designated as Non-Executive Non-Independent Director and Mr. Shantanu Shah, Mr. Pankaj Bhargava, Mr. S. Subramanian and Ms. Sridevi Badiga were appointed as Additional Directors w.e.f. 12<sup>th</sup> December, 2017, designated as Independent Directors on the Board of Directors of the Company and pursuant to the provisions of Section 152 of the Act hold office upto the date of the ensuing Annual General Meeting.

The Company has received notice(s) from the members under Section 160 of the Act signifying their intention to propose the candidatures of Mr. Shrirang Sarda, Mr. Shantanu Shah, Mr. Pankaj Bhargava, Mr. S. Subramanian and Ms. Sridevi Badiga for the Office of Director of the Company.

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 Standard-2, is given in the Notice convening the Seventh 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.

During the year under review (i) Mr. Harish Parasuram was appointed as Chief Financial Officer (CFO) with effect from 1<sup>st</sup> November, 2017 and (ii) Ms. Smita Chowdhury was appointed as Company Secretary with effect from 22<sup>nd</sup> August, 2017 and re-designated as Company Secretary & Compliance Officer with effect from 12<sup>th</sup> December, 2017.

### COMMITTEES OF THE BOARD OF DIRECTORS

Post the Scheme becoming effective and the listing of equity shares of the Company on the Stock Exchanges, 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 (14) fourteen 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

The Company does not have any holding, subsidiary or joint venture or associate company.

## Board's Report (Contd.)

### PERFORMANCE EVALUATION OF BOARD

Pursuant to Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has constituted the Nomination and Remuneration Committee (NRC), the details of which are given in the Corporate Governance Report which forms part of this Annual Report. Further as prescribed 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 Directors individually.

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 Directors 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.

### 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](http://www.praxisretail.in/assets/download/4.Remuneration_Policy_Final.pdf)

### RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL

The Company has a well-defined 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 Board has delegated responsibility to the Audit Committee 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 constituted the Internal Complaints Committee for providing a mechanism to report any complaint against sexual harassment and redressal of the same.

Your Directors further state that during the year under review, there were no cases filed pursuant to the POSH Act.

### 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 is 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 fit into the criteria specified in



## Board's Report (Contd.)

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-II**.

### 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-III** of 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 Statements.

### 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 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the directors 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 profit / loss of the Company for the financial year ended 31<sup>st</sup> March, 2018;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records 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. the directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2018 on a going concern basis;

- v. the directors, further state that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. the directors 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-IV**, which is annexed to this Report.

In terms of the provisions of second proviso to Section 136(1) of the Act, 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, is excluded from the Annual Report being sent to the members of the Company and is available for inspection by the members at registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary and the same will be furnished on request. The full Annual Report including aforesaid information is being sent electronically to all those members who have registered their e-mail addresses and also is available on the website of the Company.

## Board's Report (Contd.)

### **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-V** 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-VI** which forms part of this Report.

### **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 the Scheme 1 (one) equity share of the Company was allotted to shareholders of Future Retail Limited (FRL) for every 20 equity shares held by them in FRL on 30<sup>th</sup> November, 2017, being the Record Date. Accordingly 5,034 equity shares allotted on 8<sup>th</sup> December, 2017 against 1,00,710 equity shares of FRL lying in the Unclaimed Suspense Account held by 184 shareholders were credited to the Unclaimed Suspense Account opened and maintained by the Company in this regard.

During the year under review, no shares were claimed out of such unclaimed shares. 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.

Further details pursuant to Regulation 39 (4) read with Schedule V of the Listing Regulations is given in the Corporate Governance Report which forms part of this Annual Report.

### **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.

### **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, regulatory authorities and all other stakeholders.

For and on behalf of the Board of Directors

**Viraj Didwania**

Chairman & Managing Director

DIN : 02412474

Place: Mumbai

Date : 28<sup>th</sup> May, 2018

# ANNEXURE – I

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2018

[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**  
(formerly known as Praxis Home Retail Private 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 provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company 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, 2018, has prima facie 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, 2018 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The 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) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

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 31<sup>st</sup> March, 2018:-

- (a) The Securities and Exchange Board of India(Share Based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

## ANNEXURE – I (Contd.)

- (d) The 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 following:

- (a) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015  
(b) The Secretarial Standards 1 & 2 Issued by The Institute of Company Secretaries of India

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

I further report that I rely on statutory auditor's reports in relation to the financial statements and accuracy of financial figures for Good 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. The changes in the composition of the Board of Directors / Committees that took place during the period 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.

I further report that during the audit period, there was Scheme of Arrangement which is briefly explained as below:

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 and under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Scheme") was approved by virtue of Order passed by the Hon'able Mumbai Bench of National Company Law Tribunal (NCLT) on 10<sup>th</sup> November, 2017, and was made effective on 20<sup>th</sup> November, 2017 by filing of the requisite e-form with the Ministry of Corporate Affairs.

Further, upon the Scheme becoming effective on 20<sup>th</sup> November, 2017, the issued, subscribed and paid up equity share capital of the Company of ₹ 5,00,000/- (Rupees Five Lakh Only), stood cancelled and reduced without any further act or deed, and 2,46,33,208 Equity Shares of face value ₹ 5/- each (earlier 50,000 equity shares were of face value of ₹ 10/- each which were sub-divided into 1,00,000 equity shares of ₹ 5/- each), aggregating to ₹ 12,31,66,040/- were issued and allotted to the shareholders of FRL for every 20 equity shares held by them and 6,30,000 9% Non-Cumulative Redeemable Preference Shares of face value of ₹ 100/- each aggregating ₹ 6,30,00,000/- were issued and allotted to the shareholders of BSPL. 2,46,33,208 Equity Shares were listed on the Stock Exchanges – BSE Limited and National Stock Exchange of India Limited, w.e.f. 31<sup>st</sup> January, 2018.

Further, 17061 fractional shares arising out of the above entitlement were consolidated and the Company issued a consolidated share certificate and after following due process of law, such shares were sold in the open market on 4<sup>th</sup> April, 2018 and the net sale proceeds were distributed to the shareholders in proportion to their fractional entitlements.

- (a) There were no instances of:
1. Buy- back of securities / Preferential issue of shares
  2. Foreign Technical Collaborations.
  3. Public / Rights issue of shares
  4. Merger / reconstruction etc.

## ANNEXURE – I (Contd.)

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our 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 correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor 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  
ACS No. 7219 / CP No. 18623

Place: Mumbai  
Date : 28<sup>th</sup> May, 2018

## ANNEXURE – II

### 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: <a href="http://www.praxisretail.in/assets/download/6.CSR_Policy.pdf">http://www.praxisretail.in/assets/download/6.CSR_Policy.pdf</a>
2	The Composition of the CSR Committee	The CSR Committee was constituted on 12 <sup>th</sup> December, 2017 and as on 31 <sup>st</sup> March, 2018 comprises of: <ul style="list-style-type: none"> <li>• Mr. Viraj Didwania - Chairperson</li> <li>• Mr. Pankaj Bhargava - Member</li> <li>• Mr. Shantanu Shah - Member</li> <li>• Mr. S. Subramanian - Member</li> </ul>
3	Average net profit/loss of the Company for last three financial years/periods.	Loss of ₹ 673.93 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 2017-18:	
	a. Total amount to be spent for the financial year 2017-18	Nil
	b. Amount unspent, if any;	Not Applicable
	c. Manner in which the amount spent during the financial year 2017-18	Not Applicable

#### Manner in which the CSR amount spent during the financial year 2017-18

SR. No.	CSR project or activity identified.	Sector in which the project is covered	Projects or programs 1) Local area or other 2) 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: 1) Direct Expenditure on projects or Programs 2) 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.	The CSR Committee confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company, to the extent applicable.

Place: Mumbai  
Date : 28<sup>th</sup> May, 2018

**Pankaj Bhargava**  
Independent Director  
Member - CSR Committee  
DIN : 02685275

**Viraj Didwania**  
Chairman & Managing Director  
Chairperson - CSR Committee  
DIN : 02412474

## ANNEXURE – III

### 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 31<sup>st</sup> March, 2018, 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 31<sup>st</sup> March, 2018 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
Future Enterprises Limited ("FEL")	Related Party	Asset Lease	N.A.	10,184.66	These transactions were already approved by the shareholders of Future Retail Limited. Now pursuant to the Scheme of Arrangement between the Company and Future Retail Limited, the transactions have been entered by and between the Company and the related parties.  Necessary approvals of the Audit Committee and Board of Directors have been obtained by the Company.
		Deposit		745.32	
Future Retail Limited ("FRL")	Related Party	Lease Rental	N.A	12,260.75	
		Payment towards Purchase of Goods & Services (including Rent, CAM and others)			

# limit as sanctioned / approved by the Audit Committee and Board of Directors of the Company.

Advances in respect of related transactions being adjusted against billings/invoices.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : 28<sup>th</sup> May, 2018

**Viraj Didwania**  
Chairman & Managing Director  
DIN : 02412474

## ANNEXURE – IV

### 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 2017-18, 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 2017-18 are as under:

Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2017-18 (₹ in Lakh) (1)	% increase in Remuneration in the Financial Year 2017-18 (2)	Ratio of Remuneration of each Director/KMP to MRE for Financial Year 2017-18 (3=(1) / MRE)
Mr. Viraj Didwania Chairman & Managing Director	57.48	Refer Note.1	26.76
Mr. Harish Parasuram Chief Financial Officer	14.31	Refer Note. 2	6.66
Ms. Smita Chowdhury Company Secretary & Compliance Officer	2.54	Refer Note. 3	1.18

Notes:

- Mr. Viraj Didwania was appointed as Additional Director designated as Managing Director w.e.f. 12<sup>th</sup> October, 2017 and re-designated as Chairman & Managing Director w.e.f. 12<sup>th</sup> December, 2017;
  - Mr. Harish Parasuram was appointed as Chief Financial Officer w.e.f. 1<sup>st</sup> November, 2017;
  - Ms. Smita Chowdhury was appointed as Company Secretary w.e.f. 22<sup>nd</sup> August, 2017 and re-designated as Company Secretary & Compliance Officer w.e.f. 12<sup>th</sup> December, 2017;
  - The Company did not have any employees in financial year 2016-17 or in any of the previous financial year. However pursuant to the Scheme becoming effective, the employees of Home Retail Business Undertaking of Future Retail Limited (FRL) were transferred on the payroll of the Company w.e.f. 1<sup>st</sup> November, 2017.
- II. The Median Remuneration of Employees (MRE) of the Company during the year was ₹ 2,14,813/-. The corresponding figure for the previous year is not applicable. (Refer Note 4)
- III. The increase in MRE in the financial year 2017-18 compared to financial year 2016-17 is not applicable to the Company. (Refer Note 4)
- IV. There were 1766 permanent Employees on the rolls of the Company as on 31<sup>st</sup> March, 2018.
- V. The average percentage increase/ decrease made in salaries of employees other than the managerial personnel in the financial year 2017-18 is not applicable. (Refer Note 4)
- VI. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

**For and on behalf of the Board of Directors**

**Viraj Didwania**

Chairman & Managing Director

DIN : 02412474

Place: Mumbai

Date : 28<sup>th</sup> May, 2018



## ANNEXURE – V

### 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:

<b>(A) Conservation of Energy:</b>			
(i) the steps taken or impact on conservation of energy	The operations of your Company are not energy intensive, however adequate measures have been taken to reduce energy consumption.		
(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>(B) Technology Absorption:</b>			
(i) the efforts made towards technology absorption	Not Applicable		
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable		
(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.	Nil		
(iv) the expenditure incurred on Research and Development.			
<b>(C) Foreign exchange earnings and Outgo:</b>			
	₹ in Lakh		
	<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
	Total Foreign Exchange Used	51.21	Nil
	Total Foreign Exchange Earned	Nil	Nil

For and on behalf of the Board of Directors

Place: Mumbai  
Date : 28<sup>th</sup> May, 2018

**Viraj Didwania**  
Chairman & Managing Director  
DIN : 02412474

## ANNEXURE – VI

### Form No. MGT-9

Extract of Annual Return as on the Financial Year ended 31<sup>st</sup> March, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U52100MH2011PLC212866
ii.	Registration Date	31 <sup>st</sup> January, 2011
iii.	Name of the Company	Praxis Home Retail Limited (fka Praxis Home Retail Private 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: <a href="http://www.praxisretail.in">www.praxisretail.in</a>
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, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400083. Tel.: +91 22 4918 6000 Fax: +91 22 4918 6060 Email-Id: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

#### 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
-	-	-	-	-	-

## ANNEXURE – VI (Contd.)

### 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 01 <sup>st</sup> April, 2017]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2018]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoter</b>									
<b>1)</b>	<b>Indian</b>									
a)	Individual/ Hindu Undivided Family	-	1	1	0.00	4,405	-	4,405	0.02	0.02
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	-	49,999	49,999	100.00	1,29,05,320	-	1,29,05,320	52.39	(47.61)
e)	Banks / Financial Institution	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):-</b>		-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	<b>1,29,09,725</b>	-	<b>1,29,09,725</b>	<b>52.41</b>	<b>(47.59)</b>
<b>2)</b>	<b>Foreign</b>									
g)	Non-Resident Indians-Individuals	-	-	-	-	-	-	-	-	-
h)	Other-Individuals	-	-	-	-	-	-	-	-	-
i)	Bodies Corporate	-	-	-	-	-	-	-	-	-
j)	Banks / Financial Institution	-	-	-	-	-	-	-	-	-
k)	Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(2):-</b>		-	-	-	-	-	-	-	-	-
<b>Sub-total (A)=(A)(1)+(A)(2)</b>		-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	<b>1,29,09,725</b>	-	<b>1,29,09,725</b>	<b>52.41</b>	<b>(47.59)</b>
<b>B.</b>	<b>Public Shareholding</b>									
<b>1.</b>	<b>Institutions</b>									
a)	Mutual Funds	-	-	-	-	2,72,777	-	2,72,777	1.11	1.11
b)	Banks / Financial Institution	-	-	-	-	2,31,675	-	2,31,675	0.94	0.94
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Alternate Investment Funds	-	-	-	-	52,924	-	52,924	0.21	0.21
g)	Insurance Companies	-	-	-	-	50,143	-	50,143	0.20	0.20
h)	Foreign Institutional Investors including Foreign Portfolio Investors	-	-	-	-	30,44,216	-	30,44,216	12.36	12.36
i)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j)	Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1)</b>		-	-	-	-	<b>36,51,735</b>	-	<b>36,51,735</b>	<b>14.82</b>	<b>14.82</b>

## ANNEXURE – VI (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 <sup>st</sup> April, 2017]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non Institutions</b>									
a) Bodies Corporate									
(i) Indian	-	-	-	-	59,53,388	173	59,53,561	24.17	24.17
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	-	-	-	-	10,58,046	70,857	11,28,903	4.58	4.58
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	-	-	-	-	4,95,261	-	4,95,261	2.01	2.01
c) Any others									
1 Non-Resident Indians	-	-	-	-	1,01,430	110	1,01,540	0.41	0.41
2 Directors & Relatives	-	-	-	-	500	-	500	0.00	0.00
3 Clearing Member	-	-	-	-	2,33,542	-	2,33,542	0.95	0.95
4 Trust	-	-	-	-	54	-	54	0.00	0.00
5 Foreign Nationals	-	-	-	-	80	-	80	0.00	0.00
6 Hindu Undivided Family	-	-	-	-	1,58,307	-	1,58,307	0.64	0.64
<b>Sub-total(B)(2)</b>	-	-	-	-	<b>80,00,608</b>	<b>71,140</b>	<b>80,71,748</b>	<b>32.77</b>	<b>32.77</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	-	-	-	<b>1,16,52,343</b>	<b>71,140</b>	<b>1,17,23,483</b>	<b>47.59</b>	<b>47.59</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>50,000</b>	<b>50,000</b>	<b>100.00</b>	<b>2,45,62,068</b>	<b>71,140</b>	<b>2,46,33,208</b>	<b>100.00</b>	-

Notes:

- 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 under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Scheme") (i) The Authorised Share Capital of the Company was increased from ₹ 1,00,00,000/- (One Crore) to ₹ 24,00,00,000/- (Twenty-Four Crore) (ii) 1 (one) fully paid up Equity Share of ₹ 5/- each was issued and allotted to the shareholders of FRL for every 20 (Twenty) fully paid up shares of ₹ 2/- each held by them in FRL on 30<sup>th</sup> November, 2017, being the Record Date aggregating to 2,46,33,208 Equity Shares of ₹ 5/- each. (iii) Equity Capital of ₹ 5,00,000/- held by erstwhile promoter G R N Finsec Pvt. Ltd. along with its nominees was cancelled and reduced pursuant to the Order passed by the Hon'ble Mumbai Bench of National Company Law Tribunal (NCLT), in respect of the Scheme.
- 12,22,712 equity shares acquired by Surplus Finvest Private Limited, Promoter/Promoter Group entity on 28<sup>th</sup> March, 2018 and not reflecting in the beneficiary position received from the Registrar and Transfer Agent have been reduced from the category 'Clearing Members' and added under the category 'Promoter/Promoter Group', as on 31<sup>st</sup> March, 2018.

## ANNEXURE – VI (Contd.)

### ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year [As on 01 <sup>st</sup> April, 2017]			Shareholding at the end of the year [As on 31 <sup>st</sup> March, 2018]			% 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.	G R N Finsec Pvt. Ltd.*	*49,999	100.00	0.00	0	0.00	0.00	(100.00)
2.	Mr. Girdhar Pathak*	*1	0.00	0.00	0	0.00	0.00	0.00
3.	Suhani Trading and Investment Consultants Private Limited**#	-	-	-	1,16,82,558	47.43	14.51	47.43
4.	Retail Trust <sup>^</sup>	-	-	-	0	0.00	0.00	0.00
5.	Akar Estate and Finance Private Limited**	-	-	-	50	0.00	0.00	0.00
6.	Surplus Finvest Private Limited@	-	-	-	12,22,712	4.96	0.00	4.96
7.	Ms. Ashni Kishore Biyani**	-	-	-	3,557	0.01	0.00	0.01
8.	Mr. Anil Biyani**	-	-	-	106	0.00	0.00	0.00
9.	Mr. Gopikishan Biyani**	-	-	-	106	0.00	0.00	0.00
10.	Mr. Kishore Biyani**	-	-	-	106	0.00	0.00	0.00
11.	Mr. Laxminarayan Biyani**	-	-	-	106	0.00	0.00	0.00
12.	Mr. Rakesh Biyani**	-	-	-	106	0.00	0.00	0.00
13.	Mr. Sunil Biyani**	-	-	-	106	0.00	0.00	0.00
14.	Mr. Vijay Biyani**	-	-	-	106	0.00	0.00	0.00
15.	Mr. Vivek Biyani**	-	-	-	106	0.00	0.00	0.00
	<b>Total</b>	<b>50,000</b>	<b>100.00</b>	<b>0.00</b>	<b>1,29,09,725</b>	<b>52.41</b>	<b>14.51</b>	<b>(47.59)</b>

(\*) Equity Capital of ₹ 5,00,000/- held by erstwhile promoter G R N Finsec Pvt. Ltd. was cancelled and reduced pursuant to the Order passed by the Hon'ble Mumbai Bench of NCLT, in respect of the Scheme.

(\*\*) Pursuant to the Scheme, the promoters of FRL were allotted 1 (one) equity share for every 20 (twenty) equity shares held by them in FRL.

(#) Suhani Trading and Investment Consultants Private Limited ("the Transferee Company") was added in the Promoter/Promoter Group of the Company in terms of Composite Scheme of Amalgamation among Future Corporate Resources Limited, PIL Industries Limited, Manz Retail Private Limited, Weavette Business Ventures Limited, ESES Commercials Private Limited, Gargi Business Ventures Private Limited and Suhani Trading and Investment Consultants Private Limited ("Scheme of Amalgamation") which was approved by Hon'ble National Company Law Tribunal, Mumbai Bench and made effective on 14<sup>th</sup> November, 2017.

(<sup>^</sup>) As per disclosures under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, furnished by the Promoter/Promoter Group / PACs.

(@) 12,22,712 equity shares acquired by Surplus Finvest Private Limited, Promoter/Promoter Group entity on 28<sup>th</sup> March, 2018 and not reflecting in the beneficiary position received from the Registrar and Transfer Agent have been reduced from the category 'Clearing Members' and added under the category 'Promoter/Promoter Group', as on 31<sup>st</sup> March, 2018.

## ANNEXURE – VI (Contd.)

### 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 01 <sup>st</sup> April, 2017]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>Suhani Trading and Investment Consultants Private Limited</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	1,16,82,558	47.43	1,16,82,558	47.43
	<b>At the end of the year</b>			<b>1,16,82,558</b>	<b>47.43</b>
<b>2</b>	<b>Akar Estate and Finance Private Limited</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	50	0.00	50	0.00
	<b>At the end of the year</b>			<b>50</b>	<b>0.00</b>
<b>3</b>	<b>Mr. Kishore Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>
<b>4</b>	<b>Ms. Ashni Kishore Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	3,557	0.01	3,557	0.01
	<b>At the end of the year</b>			<b>3,557</b>	<b>0.01</b>
<b>5</b>	<b>Mr. Anil Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>
<b>6</b>	<b>Mr. Gopikishan Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>
<b>7</b>	<b>Mr. Laxminarayan Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>
<b>8</b>	<b>Mr. Rakesh Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>
<b>9</b>	<b>Mr. Sunil Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>
<b>10</b>	<b>Mr. Vijay Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>

**ANNEXURE – VI (Contd.)**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01 <sup>st</sup> April, 2017]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
11	<b>Mr. Vivek Biyani</b>				
	At the beginning of the year	-	-	-	-
	8 <sup>th</sup> December, 2017- Allotment made pursuant to the Scheme	106	0.00	106	0.00
	<b>At the end of the year</b>			<b>106</b>	<b>0.00</b>
12	<b>G R N Finsec Pvt. Ltd.</b>				
	At the beginning of the year	49,999	100.00	49,999	100.00
	5 <sup>th</sup> May, 2017- Transfer from Mr. Girdhar Pathak	1	0.00	50,000	100.00
	Reduction and Cancellation of 50,000 Equity Shares held with its nominees pursuant to the Scheme	(50,000)	(100.00)	-	-
	<b>At the end of the year</b>			<b>-</b>	<b>-</b>
13	<b>Mr. Girdhar Pathak</b>				
	At the beginning of the year	1	0.00	1	0.00
	5 <sup>th</sup> May, 2017- Transfer to G R N Finsec Pvt. Ltd.	(1)	(0.00)	-	-
	<b>At the end of the year</b>			<b>-</b>	<b>-</b>
14	<b>Surplus Finvest Private Limited</b>				
	At the beginning of the year	-	-	-	-
	28 <sup>th</sup> March, 2018 - Market Purchase	12,22,712	4.96	12,22,712	4.96
	<b>At the end of the year</b>			<b>12,22,712</b>	<b>4.96</b>

**(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 01 <sup>st</sup> April, 2017]		Cumulative Shareholding During the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	<b>Brand Equity Treaties Limited</b>				
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	11,89,999	4.83	11,89,999	4.83
	<b>At the end of the year</b>			<b>11,89,999</b>	<b>4.83</b>
2.	<b>Bennett, Coleman and Company Limited</b>				
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	11,55,737	4.69	11,55,737	4.69
	<b>At the end of the year</b>			<b>11,55,737</b>	<b>4.69</b>
3.	<b>Arisaig India Fund Limited</b>				
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	11,13,748	4.52	11,13,748	4.52
	<b>At the end of the year</b>			<b>11,13,748</b>	<b>4.52</b>
4.	<b>Cedar Support Services Limited</b>				
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	23,16,531	9.40	23,16,531	9.40
	28 <sup>th</sup> March, 2018-Market Sell	(12,25,000)	(4.97)	10,91,531	4.43
	<b>At the end of the year</b>			<b>10,91,531</b>	<b>4.43</b>

## ANNEXURE – VI (Contd.)

Sr. No.	Particulars	Shareholding at the beginning of the year [As on 01 <sup>st</sup> April, 2017]		Cumulative Shareholding During the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
5.	<b>India Opportunities Growth Fund Ltd - Pinewood Strategy</b>	-	-	-	-
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	12,500	0.05	12,500	0.05
	2 <sup>nd</sup> February, 2018-Market Purchase	25,000	0.10	37,500	0.15
	9 <sup>th</sup> February, 2018-Market Purchase	2,500	0.01	40,000	0.16
	23 <sup>rd</sup> February, 2018-Market Purchase	5,13,057	2.08	5,53,057	2.25
	02 <sup>nd</sup> March, 2018-Market Purchase	1,96,816	0.80	7,49,873	3.04
	09 <sup>th</sup> March, 2018-Market Purchase	1,06,517	0.43	8,56,390	3.48
	16 <sup>th</sup> March, 2018-Market Purchase	32,890	0.13	8,89,280	3.61
	23 <sup>rd</sup> March, 2018-Market Purchase	1,64,441	0.67	10,53,721	4.28
	31 <sup>st</sup> March, 2018-Market Sell	(5,000)	(0.02)	10,48,721	4.26
	<b>At the end of the year</b>			<b>10,48,721</b>	<b>4.26</b>
6.	<b>Heritage Foods Limited</b>	-	-	-	-
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	8,92,371	3.62	8,92,371	3.62
	<b>At the end of the year</b>			<b>8,92,371</b>	<b>3.62</b>
7.	<b>Aadi Financial Advisors LLP</b>	-	-	-	-
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	29,847	0.12	29,847	0.12
	23 <sup>rd</sup> February, 2018-Market Purchase	6,68,691	2.71	6,98,538	2.84
	<b>At the end of the year</b>			<b>6,98,538</b>	<b>2.84</b>
8.	<b>Government Pension Fund Global</b>	-	-	-	-
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	3,10,103	1.26	3,10,103	1.26
	<b>At the end of the year</b>			<b>3,10,103</b>	<b>1.26</b>
9.	<b>IDFC Tax Advantage (ELSS) Fund</b>	-	-	-	-
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	2,44,573	0.99	2,44,573	0.99
	16 <sup>th</sup> February, 2018-Market Sell	(3,000)	(0.01)	2,41,573	0.98
	16 <sup>th</sup> March, 2018-Market Purchase	3,427	0.01	2,45,000	0.99
	31 <sup>st</sup> March, 2018-Market Purchase	5,000	0.02	2,50,000	1.01
	<b>At the end of the year</b>			<b>2,50,000</b>	<b>1.01</b>
10.	<b>Mr. Akash Bhanshali</b>	-	-	-	-
	08 <sup>th</sup> December, 2017-Allotted pursuant to the Scheme	36,103	0.15	36,103	0.15
	23 <sup>rd</sup> February, 2018-Market Purchase	1,20,009	0.49	1,56,112	0.63
	02 <sup>nd</sup> March, 2018-Market Purchase	90,196	0.37	2,46,308	0.99
	<b>At the end of the year</b>			<b>2,46,308</b>	<b>0.99</b>



## ANNEXURE – VI (Contd.)

### (v) Shareholding of Directors and Key Managerial Personnel

	Particulars	Shareholding at the beginning of the year [As on 01 <sup>st</sup> April, 2017]		Cumulative Shareholding During the Year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	<b>Mr. Girdhar Pathak</b>	1	0.00	1	0.00
	5 <sup>th</sup> May, 2017- Transferred to G R N Finsec Pvt. Ltd.	1	0.00	-	-
	At the end of the year			-	-
2	<b>Mr. Rajendra Chaturvedi</b>	-	-	-	-
	At the end of the year			-	-
3	<b>Mr. Pawan Agarwal</b>	-	-	-	-
	At the end of the year			-	-
4	<b>Mr. Mukesh Agarwal</b>	-	-	-	-
	At the end of the year			-	-
5	<b>Mr. Krishan Kumar Biyani</b>	-	-	-	-
	At the end of the year			-	-
6	<b>Mr. Viraj Didwania</b>	-	-	-	-
	At the end of the year			-	-
7	<b>Mr. Shrirang Sarda</b>	-	-	-	-
	At the end of the year			-	-
8	<b>Mr. Shantanu Shah</b>	-	-	-	-
	19 <sup>th</sup> February, 2018- Market Purchase	500	0.00	500	0.00
	At the end of the year			<b>500</b>	<b>0.00</b>
9	<b>Mr. Pankaj Bhargava</b>	-	-	-	-
	At the end of the year			-	-
10	<b>Mr. S. Subramanian</b>	-	-	-	-
	At the end of the year			-	-
11	<b>Ms. Sridevi Badiga</b>	-	-	-	-
	At the end of the year			-	-
12	<b>Mr. Harish Parasuram</b>	-	-	-	-
	At the end of the year			-	-
13	<b>Ms. Smita Chowdhury</b>	-	-	-	-
	At the end of the year			-	-

### V. INDEBTEDNESS

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

Particulars	Secured Loans Excluding Deposits	Unsecured	Deposits	Total Indebtedness
Indebtedness at the beginning of financial year (As on 01 <sup>st</sup> April, 2017)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
- Addition	-	-	-	-
- Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
Indebtedness at the end of financial year (As on 31 <sup>st</sup> March, 2018)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## ANNEXURE – VI (Contd.)

### 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	55.42	55.42
	(b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	0.16	0.16
	(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	1.90	1.90
	<b>Total (A)</b>	<b>57.48</b>	<b>57.48</b>
	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.	

\*Appointed as Managing Director w.e.f. 12<sup>th</sup> October, 2017.

#### 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
<b>Independent Directors</b>								
	• Fee for attending Board Committee Meetings	1.40	1.60	1.10	1.20			5.30
	• Commission	-	-	-	-			-
	• Others, please specify	-	-	-	-			-
	<b>Total (1)</b>	<b>1.40</b>	<b>1.60</b>	<b>1.10</b>	<b>1.20</b>			<b>5.30</b>
<b>Other Non-Executive Directors</b>								
		Mr. Girdhar Pathak#	Mr. Rajendra Chaturvedi#	Mr. Pawan Agarwal**	Mr. Mukesh Agarwal**	Mr. Krishan Kumar Biyani**	Mr. Shrirang Sarda*	Total
	• Fee for attending Board Committee Meetings	-	-	0.10	0.10	0.10	1.00	1.30
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
	<b>Total(2)</b>	-	-	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>1.00</b>	<b>1.30</b>
<b>Total(B)=(1+2)</b>								<b>6.60</b>
<b>Total Managerial Remuneration</b>								<b>64.08</b>
Ceiling as per the Act -		Sitting Fees paid is within the limits specified under the Companies Act, 2013.						

\*Appointed as Additional Director w.e.f 12<sup>th</sup> December, 2017. \*\*Appointed as Director w.e.f 18<sup>th</sup> April, 2017 and resigned w.e.f 12<sup>th</sup> December, 2017. #Resigned w.e.f 20<sup>th</sup> April, 2017.

**ANNEXURE – VI** (Contd.)**C. Remuneration to Key Managerial Personnel Other than MD/Manager/ WTD**

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
		-	Ms. Smita Chowdhury *	Mr. Harish Parasuram **	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	2.43	12.84	15.27
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.00	0.81	0.81
	(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.	Others, please specify	-	-	-	-
	Retiral Benefits	-	0.11	0.66	0.77
	<b>Total</b>	-	<b>2.54</b>	<b>14.31</b>	<b>16.85</b>

\* Appointed w.e.f. 22<sup>nd</sup> August, 2017 \*\* Appointed w.e.f. 01<sup>st</sup> November, 2017**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)
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers-in-Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## Corporate Governance Report

Good Corporate Governance is an essential pillar for sustaining and growing business concern and your Company acknowledges its significance for crafting good Corporate Culture for its diversified Stakeholders.

Your Company consistently strives to enhance the stakeholders' relationship, e-governance initiatives, while upholding the core values of integrity, transparency, fairness, responsibility and accountability.

Post-Listing of the Equity Shares of the Company on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on 31<sup>st</sup> January, 2018 pursuant to the Scheme of Arrangement between Future Retail Limited ('FRL') and Bluerock eServices Private Limited ('BSPL') and Praxis Home Retail Limited ('PHRL' or 'the Resulting Company' or 'the Company') and their respective Shareholders under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("**the Scheme**"), your Company has taken various further initiatives to strengthen the Corporate Governance practices and adopted various codes / policies, pursuant to the applicable provisions of the Companies Act, 2013 or Companies Act, 1956 as may be applicable ("**the Act**") and Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations').

During the financial year under review, the Company has complied with all the applicable provisions of the Act and Listing Regulations.

### CODE OF CONDUCT

The Company has in place a Code of Conduct ('**Code**') for the Board of Directors and Senior Management Personnel of the Company. The Company also has in place, Code of Conduct for Independent Directors as prescribed under Schedule IV of the Act. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company.

All the Board Members and Senior Management Personnel have affirmed compliance with this Code. A declaration signed by the Chairman & Managing Director to this effect is attached at the end of this Report. This Code is also available on the Company's website at the link [http://www.praxisretail.in/assets/download/1.Code-of-Conduct\\_for\\_Directors\\_and\\_Senior\\_Management\\_Final.pdf](http://www.praxisretail.in/assets/download/1.Code-of-Conduct_for_Directors_and_Senior_Management_Final.pdf)

### COMPOSITION OF THE BOARD OF DIRECTORS

The Composition of the Board of Directors ('the Board') is in conformity with the requirement of the Act and Regulation 17 of the Listing Regulations. As on 31<sup>st</sup> March, 2018, the Board comprises of 6 (Six) Directors including 1 (One) Woman Director. None of the Directors on the Board, are serving as an Independent Director in more than 7 (Seven) or 3 (Three) Listed entities, as specified in Regulation 25 of the Listing Regulations.

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 applicable Rules made thereunder.

The information on Composition of the Board, Category and their Directorships/Committee Membership across all the Companies in which they were Directors as on 31<sup>st</sup> March, 2018 is as under:

Name of Director	Category	Date of Appointment as a current designation	No. of Directorships*		No. of Memberships / Chairmanships of Committees in public companies**	
			Public	Private / Non-profit	Memberships	Chairmanships
Mr. Viraj Didwania	Chairman & Managing Director#	12 <sup>th</sup> October, 2017	1	2	2	0
Mr. Shrirang Sarda	Non-Executive Non-Independent ##	12 <sup>th</sup> December, 2017	1	11	1	1

## Corporate Governance Report (Contd.)

Name of Director	Category	Date of Appointment as a current designation	No. of Directorships*		No. of Memberships / Chairmanships of Committees in public companies**	
			Public	Private / Non-profit	Memberships	Chairmanships
Mr. Pankaj Bhargava	Independent Director @	12 <sup>th</sup> December, 2017	2	2	2	0
Mr. Shantanu Shah	Independent Director @	12 <sup>th</sup> December, 2017	1	0	1	0
Mr. S. Subramanian	Independent Director @	12 <sup>th</sup> December, 2017	1	0	1	0
Ms. Sridevi Badiga	Independent Director @	12 <sup>th</sup> December, 2017	2	0	2	1

(\*) No. of Directorships held by the Directors do not include directorships in foreign companies.

(\*\*) In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

(#) Appointed as an Additional Director, designated as 'Managing Director' by the Board on 12<sup>th</sup> October, 2017 and the members confirmed his appointment for a period of 5 (five) years with effect from 12<sup>th</sup> October, 2017 at the Extraordinary General Meeting held on the even date. Further, he was re-designated as Chairman & Managing Director by the Board w.e.f. 12<sup>th</sup> December, 2017.

(##) Appointed as Additional Director, designated as 'Non-Executive Non-Independent' Director by the Board on 12<sup>th</sup> December, 2017.

(@) Appointed as Independent Director of the Company w.e.f. 12<sup>th</sup> December, 2017 for a period of 5 (Five) years.

The details of equity shares held by the Directors in the Company as on 31<sup>st</sup> March, 2018 are as follows:

Name of Director	Number of Equity Shares held
Mr. Viraj Didwania	NIL
Mr. Shirang Sarda	NIL
Mr. Pankaj Bhargava	NIL
Mr. Shantanu Shah	500
Mr. S. Subramanian	NIL
Ms. Sridevi Badiga	NIL

The details of the familiarization program of the Independent Directors are available on the website of the Company at the link [http://www.praxisretail.in/assets/download/3.Independent\\_Director\\_Familiarization\\_Program\\_Final.pdf](http://www.praxisretail.in/assets/download/3.Independent_Director_Familiarization_Program_Final.pdf)

None of the Directors of the Company is inter-se related to each other.

### ATTENDANCE OF DIRECTORS AT THE MEETINGS OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING

During the year under review, total 14 (Fourteen) Meetings of the Board of Directors were held on 10<sup>th</sup> April, 2017, 18<sup>th</sup> April, 2017, 20<sup>th</sup> April, 2017, 5<sup>th</sup> May, 2017, 23<sup>rd</sup> June, 2017, 20<sup>th</sup> July, 2017, 2<sup>nd</sup> August, 2017, 22<sup>nd</sup> August, 2017, 12<sup>th</sup> October, 2017, 17<sup>th</sup> November 2017, 20<sup>th</sup> November, 2017, 08<sup>th</sup> December, 2017, 12<sup>th</sup> December, 2017 and 14<sup>th</sup> February, 2018.

The gap between two Meetings did not exceed 120 (One Hundred and Twenty) days as prescribed in Section 173(1) of the Act, Secretarial Standard- 1 on Meetings of the Board of Directors and Regulation 17(2) of the Listing Regulations. Sixth (6<sup>th</sup>) Annual General Meeting (AGM) of the Company was held on 21<sup>st</sup> September, 2017.

## Corporate Governance Report (Contd.)

The attendance of the Directors to the above Board Meetings and AGM which was held during their tenure is as follows:

Name of the Directors	No. of Meetings held during tenure of respective Directors		6 <sup>th</sup> AGM (21 <sup>st</sup> September, 2017)	Remarks
	Held	Attended		
Mr. Girdhar Pathak	3	3	Not Applicable	Resigned w.e.f. 20 <sup>th</sup> April, 2017
Mr. Rajendra Chaturvedi	3	3	Not Applicable	Resigned w.e.f. 20 <sup>th</sup> April, 2017
Mr. Pawan Agarwal	11	11	Present	Appointed w.e.f. 18 <sup>th</sup> April, 2017 Resigned w.e.f. 12 <sup>th</sup> December, 2017
Mr. Mukesh Agarwal	11	11	Present	Appointed w.e.f. 18 <sup>th</sup> April, 2017 Resigned w.e.f. 12 <sup>th</sup> December, 2017
Mr. Krishan Kumar Biyani	11	11	Present	Appointed w.e.f. 18 <sup>th</sup> April, 2017 Resigned w.e.f. 12 <sup>th</sup> December, 2017
Mr. Viraj Didwania	5	5	Not Applicable	Appointed w.e.f. 12 <sup>th</sup> October, 2017
Mr. Shrirang Sarda	2	2	Not Applicable	Appointed w.e.f. 12 <sup>th</sup> December, 2017
Mr. Pankaj Bhargava	2	2	Not Applicable	Appointed w.e.f. 12 <sup>th</sup> December, 2017
Mr. Shantanu Shah	2	2	Not Applicable	Appointed w.e.f. 12 <sup>th</sup> December, 2017
Mr. S. Subramanian	2	2	Not Applicable	Appointed w.e.f. 12 <sup>th</sup> December, 2017
Ms. Sridevi Badiga	2	2	Not Applicable	Appointed w.e.f. 12 <sup>th</sup> December, 2017

### AUDIT COMMITTEE

The Audit Committee was constituted by the Board on 12<sup>th</sup> December, 2017 and Mr. Shantanu Shah, Independent Director was co-opted as member of the Audit Committee on 14<sup>th</sup> February, 2018. During the year under review, 2 (two) meetings of the Audit Committee were held on 12<sup>th</sup> December, 2017 and 14<sup>th</sup> February, 2018. The Composition of the Audit Committee and the attendance of the Members at the above meetings which was held during their tenure is as follows:

Name of Directors / Members	Category	Designation	No. of Meetings held during tenure of respective Directors / Members		Remarks
			Held	attended	
Ms. Sridevi Badiga*	Independent Director	Chairperson	2	2	Appointed as member & Chairperson of Audit Committee w.e.f. 12 <sup>th</sup> December, 2017
Mr. Viraj Didwania	Chairman & Managing Director	Member	2	2	Appointed as member of Audit Committee w.e.f. 12 <sup>th</sup> December, 2017
Mr. Pankaj Bhargava	Independent Director	Member	2	2	Appointed as member of Audit Committee w.e.f. 12 <sup>th</sup> December, 2017
Mr. S. Subramanian	Independent Director	Member	2	2	Appointed as member of Audit Committee w.e.f. 12 <sup>th</sup> December, 2017
Mr. Shantanu Shah*	Independent Director	Member	Nil	Nil	Appointed as member of Audit Committee w.e.f. 14 <sup>th</sup> February, 2018

\* The Board of Directors at its meeting held on 28<sup>th</sup> May, 2018 appointed Mr. Shantanu Shah as Chairperson of the Committee as Ms. Sridevi Badiga expressed her inability to continue as the Chairperson of the Committee due to other professional commitments. However, Ms. Sridevi Badiga continues to be a Member of the Committee.

The Company Secretary & Compliance Officer functions as Secretary to the Committee.

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

## Corporate Governance Report (Contd.)

### 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 the 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 utilized for purposes other than those stated in the Offer Document / Prospectus / Notice and the Report submitted by the monitoring agency monitoring the utilization 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 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.

## Corporate Governance Report (Contd.)

### Reviewing of the following information

- 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;
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee and
- 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) of the Listing Regulations.
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the Listing Regulations.

### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted by the Board of Directors on 12<sup>th</sup> December, 2017.

During the year under review, only 1 (one) meeting of the Nomination and Remuneration Committee was held on 12<sup>th</sup> December, 2017. The Composition of the Nomination and Remuneration Committee and the attendance of the Members at the above meeting(s) which was held during their tenure is as follows:

Name of Directors / Members	Category	Designation	No. of Meetings held during tenure of respective Members		Remarks
			Held	Attended	
Mr. Pankaj Bhargava *	Independent Director	Chairperson	1	1	Appointed as Member and Chairperson of Nomination and Remuneration Committee w.e.f. 12 <sup>th</sup> December, 2017
Mr. S. Subramanian*	Independent Director	Member	1	1	Appointed as Member of Nomination and Remuneration Committee w.e.f. 12 <sup>th</sup> December, 2017
Mr. Shirang Sarda	Non-Executive Non-Independent Director	Member	1	1	Appointed as Member of Nomination and Remuneration Committee w.e.f. 12 <sup>th</sup> December, 2017
Mr. Shantanu Shah	Independent Director	Member	1	1	Appointed as member of Nomination and Remuneration Committee w.e.f. 12 <sup>th</sup> December, 2017

\* The Board of Directors at its meeting held on 28<sup>th</sup> May, 2018 appointed Mr. S. Subramanian as Chairperson of the Committee as Mr. Pankaj Bhargava expressed his inability to continue as the Chairperson of the Committee due to other professional commitments. However, Mr. Pankaj Bhargava continues to be a Member of the Committee.



## Corporate Governance Report (Contd.)

### Terms of Reference

The terms of reference are reviewed from time to time by the Board and the Committee has been mandated to comply with the requirements as specified in Part D of the Schedule II of the Listing Regulations and the provisions of Section 178 of the Act and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as may be applicable.

### The role of the Nomination and Remuneration Committee 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 performance 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)/ Employee Stock Option Scheme (ESOS) as well as issuance of SWEAT equity shares and recommend the grants of Options to be made under ESOP/ESOS,

### Performance evaluation criteria for Independent Directors

The Company has also devised a process for performance evaluation of Independent Directors, the Board, its Committees and individual Directors. The Independent Directors were inter-alia evaluated on the criteria such as engagement, leadership, analytical, quality of decision-making, interaction, governance, etc.

### REMUNERATION POLICY

The Company believes that human resource is the key for the continuous growth and development of

the Company. The Company's remuneration policy is designed to attract, retain and motivate employees by offering appropriate remuneration packages and retirement benefits. The remuneration policy is in consonance with the existing industry practice.

### REMUNERATION POLICY FOR EXECUTIVE DIRECTORS

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission or performance bonus (variable component) to the Chairman & Managing Director as approved by the Board. In determining the remuneration package of the Chairman & Managing Director, the Nomination and Remuneration Committee (NRC) inter-alia evaluates the remuneration paid by comparable organizations and thereafter makes its recommendation to the Board. Annual increments are decided by the NRC within the scale of remuneration approved by the Board. NRC also reviews and decides on the quantum of commission or performance bonus payable to the Chairman & Managing Director as per terms of appointment and based on the performance of the individual as well as the Company.

### CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

Non-Executive Directors are paid sitting fees for attending Meetings of the Board and Committees of the Board including meeting of Independent Directors, as decided from time to time by the Board. The Company also reimburses the out-of-pocket expenses if any incurred by the Directors for attending the meetings. The Members of Corporate Social Responsibility Committee have voluntarily waived the acceptance of sitting fees for attending the meeting of the Committee. The Non-Executive Directors as of 31<sup>st</sup> March, 2018 are not paid any Commission but may be paid commission up to an aggregate maximum of 1% of the net profits of the Company as specifically computed for this purpose and as may be approved by Board of Directors of the Company. The criteria of making payments to Non-Executive Directors inter-alia, covers the number of meetings attended, Chairmanship of Committees of the Board, time spent in deliberations with the Senior Management on operational matters other than at meetings and contribution at the Board/Committee(s) levels.

## Corporate Governance Report (Contd.)

### Remuneration to Directors

#### Chairman & Managing Director

The remuneration to the Chairman & Managing Director for the year ended 31<sup>st</sup> March, 2018 is as under:

₹ in Lakh

Name	Salary	Performance Bonus / Commission	Company's Contribution to Funds	Perquisites and allowance	Total	Total Contract Period	Notice period in months	Stock Options granted
Mr. Viraj Didwania	55.42	-	1.90	0.16	57.48	5 years w.e.f. 12 <sup>th</sup> October, 2017	6	Nil

#### Notes:

- Mr. Viraj Didwania was appointed as Managing Director of the Company w.e.f. 12<sup>th</sup> October, 2017. Further he was re-designated as Chairman & Managing Director w.e.f. 12<sup>th</sup> December, 2017.
- All the above components of remuneration, except Performance Bonus / Commission, are fixed in nature.
- There is no separate provision for payment of severance fees.
- In case of inadequacy of profits, remuneration to be paid in excess of the limits as specified in the Companies Act, 2013, will be subject to requisite approvals including the approval of the Central Government as provided under the applicable provisions of the Companies Act, 2013 read with applicable Rules made thereunder.

#### NON-EXECUTIVE INDEPENDENT DIRECTORS/NON-EXECUTIVE NON-INDEPENDENT DIRECTORS

The remuneration in form of Sitting Fees / Commission to Non-Executive Independent Directors/Non-Executive Non-Independent Directors during the year under review is as under

in ₹

Name of Director	Sitting Fee
Mr. Pawan Agarwal	10,000/-
Mr. Mukesh Agarwal	10,000/-
Mr. Krishan Kumar Biyani	10,000/-
Mr. Shirang Sarda	1,00,000/-
Mr. Pankaj Bhargava	1,60,000/-
Mr. Shantanu Shah	1,10,000/-
Mr. S. Subramanian	1,40,000/-
Ms. Sridevi Badiga	1,20,000/-

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 and its Senior Management, which in their judgment would affect their independence. None of the Directors of the Company is inter-se related to each other.

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been constituted on 12<sup>th</sup> December, 2017. Presently the Committee comprises of Mr. Shirang Sarda, Non-Executive Non-Independent Director as Chairperson of the Committee, Mr. Viraj Didwania, Chairman

& Managing Director and Mr. Pankaj Bhargava, Independent Director, as members of the Committee.

#### COMPLIANCE OFFICER

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

Post-listing of Equity Shares on the Recognized Stock Exchanges with effect from 31<sup>st</sup> January, 2018, 1 (one) Meeting of Stakeholders' Relationship Committee was held on 14<sup>th</sup> February, 2018 during the year under review.

The attendance of the Members at the above Meeting(s) is as under:

Name of Directors / Members	Designation	No. of Meetings	
		Held	Attended
Mr. Shirang Sarda	Chairperson	1	1
Mr. Viraj Didwania	Member	1	1
Mr. Pankaj Bhargava	Member	1	1

#### TERMS OF REFERENCE OF THE COMMITTEE

The terms of reference are reviewed from time to time by the Board and the Committee has been mandated to comply with the requirements as specified in Part D of the Schedule II of the Listing Regulations and the provisions of Section 178 of the Act. The reference inter-alia includes:

- to determine on behalf of the Board the Company's policy on serving the stakeholders in line with best corporate governance norms;
- to periodically review stakeholders' grievance mechanism of the Company;

## Corporate Governance Report (Contd.)

- to review and redress stakeholders' grievances regarding allotment of securities, transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc. and other allied matters;
- the Committee is also authorized to:
  - i. investigate any activity within its terms of reference;
  - ii. seek any information from any employee of the Company;
  - iii. obtain outside legal or independent professional advice. Such advisors may attend meetings, if necessary; and
  - iv. incur such reasonable expenditure, as it deems necessary.

### SHARE TRANSFER COMMITTEE

The Share Transfer Committee has been constituted on 12<sup>th</sup> December, 2017. Presently, the Committee comprises of Mr. Shirang Sarada, Non-Executive Non-Independent Director, Mr. Viraj Didwania, Chairman & Managing Director and Mr. Pankaj Bhargava, Independent Director 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, dematerialization and rematerialization of shares.

### INVESTORS' GRIEVANCE REDRESSAL

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

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	1	1	NIL

### CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company's Code of Conduct for Prevention of Insider Trading as approved by the Board of Directors, inter-alia, prohibits dealing in the securities of the Company by Directors and certain employees while in possession of unpublished price sensitive information in relation to the Company. The same is available on the Company's website at the link [http://www.praxisretail.in/assets/download/Code\\_of\\_Conduct\\_on\\_Insider\\_Trading.pdf](http://www.praxisretail.in/assets/download/Code_of_Conduct_on_Insider_Trading.pdf)

### INDEPENDENT DIRECTORS MEETING

During the year under review, a separate meeting of Independent Directors was held on 14<sup>th</sup> February, 2018. The said meeting was attended by all the Independent Directors of the Company as mentioned below:

Name of Directors	Category	No. of Meetings	
		Held	Attended
Mr. Pankaj Bhargava	Independent Director	1	1
Mr. Shantanu Shah	Independent Director	1	1
Mr. S. Subramanian	Independent Director	1	1
Ms. Sridevi Badiga	Independent Director	1	1

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted on 12<sup>th</sup> December, 2017 in line with the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014. Presently, the Committee comprises of Mr. Viraj Didwania, Chairman & Managing Director, Mr. Pankaj Bhargava, Mr. Shantanu Shah and Mr. S. Subramanian, Independent Directors as Members of the Committee. 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 Committee shall function in accordance with the terms of reference as specified under the Act, and as may be specified by the Board from time to time, which inter-alia includes:

- a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c) monitor the Corporate Social Responsibility Policy of the Company from time to time.

### COMMITTEE OF DIRECTORS

The Committee of Directors has been constituted on 12<sup>th</sup> December, 2017. Presently, the Committee comprises of Mr. Viraj Didwania, Chairman & Managing Director, Mr. Pankaj Bhargava and Mr. Shantanu Shah, Independent Directors as Members of the Committee. The main function of Committee is to handle day-to-day operations and activities of the Company and to ensure smooth functioning and for routine business operations. The Committee is further authorized to delegate some of its powers to employees / executives of the Company as authorized therein. Total 2 (Two) Meetings of the Committee were held during the year under review.

## Corporate Governance Report (Contd.)

### RISK MANAGEMENT

The Company has a well-defined risk management framework in place, 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 in consultation with the Board of Directors periodically reviews the risk assessment and minimization 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 Report forming part of this Annual Report.

### GENERAL BODY MEETINGS:

#### Annual General Meeting

The details of the last three Annual General Meetings (AGMs) held are as follows:

Year	Day, Date & Time of AGM	Venue	Special Resolutions passed
2016-17	Thursday, 21 <sup>st</sup> September, 2017 at 10:00 a.m.	iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042.	None
2015-16	Friday, September 30, 2016 At 10:00 a.m.	32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai- 400004.	None
2014-15	Wednesday, 30 <sup>th</sup> September, 2015 at 10:00 a.m.	32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai- 400004.	None

### EXTRA ORDINARY GENERAL MEETING (EGM)

The details of the Extraordinary General Meeting held during the last three Financial Years are as follows:

Day, Date & Time of the EGM	Venue	Special Resolutions Passed
Tuesday 30 <sup>th</sup> May, 2017 at 11.00 am	32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai- 400004	<ul style="list-style-type: none"> <li>❖ 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”.</li> <li>❖ Alteration of Main object clause and incidental or ancillary object clause in the Memorandum of Association of the Company.</li> <li>❖ Alteration and adoption of Articles of Association of the Company as per Companies Act, 2013.</li> </ul>
Thursday, 12 <sup>th</sup> October, 2017 at 04:00 pm	iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042.	<ul style="list-style-type: none"> <li>❖ Appointment of Mr. Viraj Didwania as Managing Director for a period of 5 (five) years effective from 12<sup>th</sup> October, 2017.</li> </ul>

## Corporate Governance Report (Contd.)

Day, Date & Time of the EGM	Venue	Special Resolutions Passed
Monday, 20 <sup>th</sup> November, 2017 at 5.00 pm	iThink Techno Campus, Jolly Board Tower D, Ground Floor, Kanjurmarg (East), Mumbai – 400042	<ul style="list-style-type: none"> <li>❖ 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.</li> <li>❖ 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.</li> <li>❖ 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)(a) of Companies Act, 2013.</li> </ul>
Monday, 28 <sup>th</sup> November, 2016, at 05.00 pm	32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai- 400004	<ul style="list-style-type: none"> <li>❖ Change of name from GRN Energy Private Limited to GRN Retail Private Limited</li> <li>❖ Change of Object Clause in the Memorandum of Association of the Company</li> <li>❖ Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013</li> </ul>
Monday, 26 <sup>th</sup> December, 2016 at 10.00 am	32-D, Khotachi Wadi, Ideal Wafer House Compound, Girgaum, Mumbai- 400004	<ul style="list-style-type: none"> <li>❖ Change of name from GRN Retail Private Limited to Praxis Home Retail Private Limited.</li> </ul>

### COURT CONVENED OR NATIONAL COMPANY LAW TRIBUNAL (NCLT) CONVENED MEETING

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 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Scheme") was entered into and in this connection, the approval of the Equity Shareholders of the Company was obtained by NCLT convened meeting of Equity Shareholders on Tuesday, 26<sup>th</sup> September, 2017 at 9:30 am at Rangaswar, Fourth Floor, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Mumbai – 400 021. The Scheme was approved by Hon'ble Mumbai Bench of NCLT on 10<sup>th</sup> November, 2017 and made effective on 20<sup>th</sup> November, 2017.

During the year under review, the Company has not passed any resolution through Postal Ballot as per provisions of Section 110 of the Companies Act, 2013 and Rules made thereunder.

### MEANS OF COMMUNICATION

The Company regularly submits quarterly / half-yearly / Annual Financial Results to the Stock Exchanges, as soon as these are taken on record/approved by the Board. The Financial Results are published in leading English and Marathi daily newspapers, viz. "The Free Press Journal" (English Newspaper) and "Navshakti" (Marathi Newspaper). The Company's Annual Report, Financial Results and Shareholding Pattern are displayed on the Company's website [www.praxisretail.in](http://www.praxisretail.in) and also displayed by BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on their respective websites.

## Corporate Governance Report (Contd.)

The Company sends Annual Report, intimation to Shareholders for various matters, Notices related to General Meetings or Court-convened or NCLT-convened meetings and Postal Ballot by e-mail to those shareholders whose e-mail ids are registered with the Company / Depository Participants and in physical copies to those Shareholders whose e-mail ids are not registered.

All filings, disclosures and communications to Stock Exchanges are made electronically through their specific web portals in order to disseminate such information and make such information generally available.

### GENERAL SHAREHOLDERS INFORMATION

#### Date, Time and Venue of the Seventh Annual General Meeting

Tuesday, 18<sup>th</sup> September, 2018 at 10:30 am at Sunville Banquets and Conference, 9, Dr. Annie Besant Road, Siddharth Nagar, Worli, Mumbai - 400018.

#### Financial year

The financial year covers the period from 1<sup>st</sup> April of every year to 31<sup>st</sup> March of the next year.

#### Financial Reporting for

Quarter	Release Date (tentative & subject to change)
1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June, 2018	First / Second week of August, 2018
2 <sup>nd</sup> Quarter / Half-year ending 30 <sup>th</sup> September, 2018	First / Second week of November, 2018
3 <sup>rd</sup> Quarter ending 31 <sup>st</sup> December, 2018	First / Second week of February, 2019
4 <sup>th</sup> Quarter/Year ending 31 <sup>st</sup> March, 2019	End of May 2019

Note: The above dates are indicative.

#### Record Date/Book closure

The Company has fixed 12<sup>th</sup> September, 2018 as the Record Date for the purpose of Seventh Annual General Meeting and matters related thereto.

#### Dividend payment date

The Board of Directors of the Company has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2018.

### LISTING ON STOCK EXCHANGES

#### Equity Shares

2,46,33,208 Equity Shares of ₹ 5/- each fully paid-up issued and allotted to the eligible shareholders of Future Retail Limited are listed on the following Recognized Stock Exchanges:

- ❖ BSE Limited (BSE)  
25<sup>th</sup> Floor, P. J. Towers, Dalal Street, Mumbai – 400001.
- ❖ National Stock Exchange of India Limited (NSE)  
Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051.

### PREFERENCE SHARES

6,30,000 - 9% Non-cumulative Redeemable Preference Shares of ₹ 100/- each fully paid-up were issued and allotted to the shareholders of Bluerock eServices Private Limited, however these shares are not listed on any stock exchange.

### DEBT SECURITIES

The Company has not issued any Debt Securities.

### LISTING FEES

Listing Fees, as prescribed, has been paid to both the Stock Exchanges where the securities of the Company are listed.

### STOCK CODE AND ISIN NO.

SHARES / DEBENTURES	ISIN NO.	STOCK CODE	
		BSE	NSE
Equity Shares	INE546Y01022	540901	PRAXIS

### CORPORATE IDENTITY NUMBER (CIN)

The Company's CIN as allotted by the Ministry of Corporate Affairs is: U52100MH2011PLC212866.

The requisite formalities for updating the CIN of the Company post-receipt of listing approvals from BSE and NSE, has been made to the respective authorities.

## Corporate Governance Report (Contd.)

### STOCK PERFORMANCE

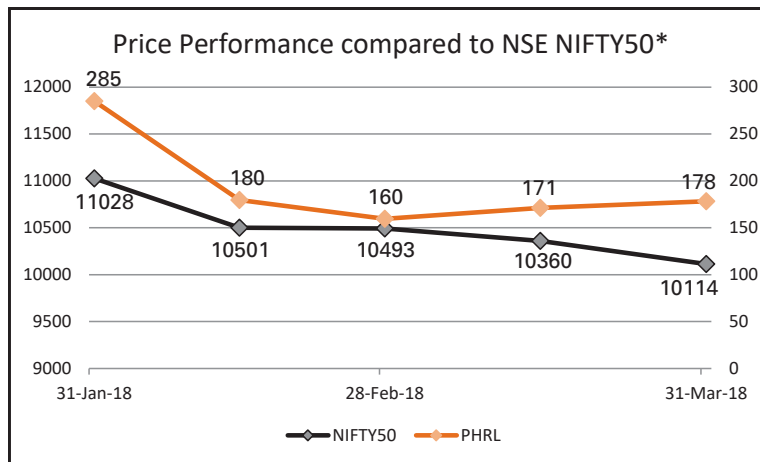
The performance of the Equity Shares of the Company on the Recognized Stock Exchanges on which it is listed during the year under review is as follows:

Months*	BSE		NSE	
	(in ₹)		(in ₹)	
	High	Low	High	Low
Apr-17	N.A.	N.A.	N.A.	N.A.
May-17	N.A.	N.A.	N.A.	N.A.
Jun-17	N.A.	N.A.	N.A.	N.A.
Jul-17	N.A.	N.A.	N.A.	N.A.
Aug-17	N.A.	N.A.	N.A.	N.A.
Sep-17	N.A.	N.A.	N.A.	N.A.
Oct-17	N.A.	N.A.	N.A.	N.A.
Nov-17	N.A.	N.A.	N.A.	N.A.
Dec-17	N.A.	N.A.	N.A.	N.A.
Jan-18	315.00	285.00	315.00	285.00
Feb-18	270.75	152.00	270.75	152.05
Mar-18	199.00	153.15	201.35	151.10

(\*) The equity shares of the Company got listed on BSE and NSE w.e.f. 31<sup>st</sup> January, 2018.

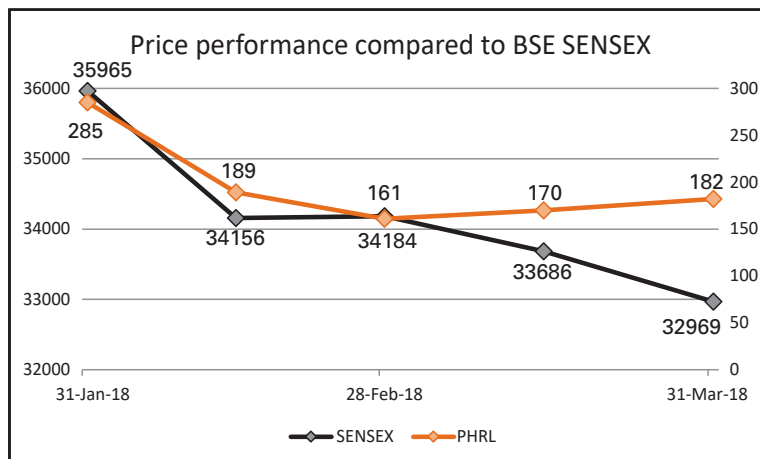
[Source: This information is compiled from the data available from the websites of BSE and NSE]

### Performance of Share Price of the Company in comparison to the NSE Nifty50



(\*)The performance comparison is based on the closing price/NSE Nifty50 on fortnightly basis

### Performance of Share Price of the Company in comparison to BSE Sensex



(#) The performance comparison is based on the closing price/Sensex on fortnightly basis

## Corporate Governance Report (Contd.)

### SHARE TRANSFER SYSTEM

Trading in Equity Shares of the Company through recognized Stock Exchanges, is permitted only in dematerialized form. Shares sent for transfer in physical form are registered and returned within a period of 15 (Fifteen) days from the date of receipt of the documents, provided the documents are valid and complete in all aspects. With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee to approve the transfers of equity shares of the Company. The Share Transfer Committee and Stakeholders' Relationship Committee meet as and when required to consider the transfer proposals and attend to Investors' grievances.

### DE-MATERIALIZATION OF SHARES

99.71% of the paid-up Equity Share Capital of the Company have been dematerialized as on 31<sup>st</sup> March, 2018. 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 dematerialize their shares with either of the Depositories. Entire shareholding of Promoters and Promoter Group is in dematerialized form. Status of Dematerialization of Equity Shares as on 31<sup>st</sup> March, 2018 is as under:

Particulars	No. of Shares	% of Capital*
National Securities Depository Limited ('NSDL')	2,01,70,423	81.88
Central Depository Services (India) Limited ('CDSL')	43,91,645	17.83
<b>Total Dematerialized</b>	<b>2,45,62,068</b>	<b>99.71</b>
Physical	71,140	0.29
<b>Total</b>	<b>2,46,33,208</b>	<b>100.00</b>

(\*) There is a difference of 5,218 Equity Shares between Issued and Paid-up Capital of the Company. The reason being said Equity Shares of ₹ 5/- each of the Company are being kept in abeyance against 1,04,371 Equity Shares of ₹ 2/- each kept in abeyance in Future Retail Limited.

### Distribution of shareholding of equity shares as on 31<sup>st</sup> March, 2018

Sr. No.	Shares – Range		Number of shareholders	% of Total shareholders	Total shares for the range	%
	From	To				
1	1	500	35,293	98.86	5,16,823	2.10
2	501	1,000	122	0.34	90,510	0.37
3	1,001	2,000	84	0.24	1,19,619	0.49
4	2,001	3,000	33	0.09	85,567	0.35
5	3,001	4,000	22	0.06	77,343	0.31
6	4,001	5,000	15	0.04	67,919	0.28
7	5,001	10,000	44	0.12	3,23,102	1.31
8	10,001	and above	86	0.24	2,33,52,325	94.80
<b>Total</b>			<b>35,699</b>	<b>100.00</b>	<b>2,46,33,208</b>	<b>100.00</b>

### Equity Shareholding Pattern as on 31<sup>st</sup> March, 2018

Category	No. of Shares	% of holding
Promoters and Promoter Group	1,29,09,725	52.41
Mutual Funds	2,72,777	1.11
Banks, Financial Institutions	2,31,675	0.94
Alternate Investment Fund	52,924	0.21
Insurance Companies	50,143	0.20
Foreign Portfolio Investor	30,44,216	12.36
Non-Resident Indians	1,01,540	0.41
Bodies Corporate	59,53,561	24.17
Indian Public (Individual)	16,24,164	6.6
Directors & their Relatives	500	0.00
Clearing Members	2,33,542	0.95
Trust	54	0.00
Hindu Undivided Family	1,58,307	0.64
Foreign Nationals	80	0.00
<b>Total</b>	<b>2,46,33,208</b>	<b>100.00</b>

### Outstanding GDR /ADR /Warrants or Any Convertible Instruments, Conversion Date and Impact on Equity.

The Company currently has not issued any GDR/ADR/Warrants or any other convertible instruments.



## Corporate Governance Report (Contd.)

### 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 8 <sup>th</sup> December, 2017 (Date of allotment pursuant to "The Scheme")	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 31 <sup>st</sup> March, 2018	184	5,034

The Voting Rights on the shares outstanding in the suspense account as on 31<sup>st</sup> March, 2018 shall remain frozen till the rightful owner of such shares claims the shares.

### 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. 13 of this Annual Report.

### Registered Office;

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

### ADDRESS FOR INVESTOR CORRESPONDENCE

- For securities held in physical form: Registrar & Transfer Agents**  
 M/s. Link Intime India Private Limited  
 C – 101, 247 Park, 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; Website: www.linkintime.co.in
- For securities held in Demat Form:**  
 Investors' concerned Depository Participant(s) and/or M/s. 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](http://www.praxisretail.in)

### COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During the year under review, the Company was not exposed to any kind of commodity price risk or foreign exchange risk and/or commodity hedging risk

### DISCLOSURES

#### Related Party Transactions

All related party transactions 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

the related parties that may have potential conflict with the interests of the Company at large. The details of related party transactions are given in Note No. 42 in Notes forming part of the financial statements for the year ended 31<sup>st</sup> March, 2018. Policy on dealing with related party transactions is available on the website of the Company at the [http://www.praxisretail.in/assets/download/10.Policy\\_for\\_dealing\\_with\\_RPTs\\_Final.pdf](http://www.praxisretail.in/assets/download/10.Policy_for_dealing_with_RPTs_Final.pdf)

#### 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.

## Corporate Governance Report (Contd.)

### Management Discussion and Analysis

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 are 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.

### CEO/CFO Certification

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have certified to the Board on the matters given in Part B of Schedule-II of the Listing Regulations regarding the financial statements for the year ended 31<sup>st</sup> March, 2018.

### Subsidiary Companies

The Company does not have any subsidiary company. However, the Company has a policy for determining material subsidiaries of the Company, which is available on the website of the Company at the link [http://www.praxisretail.in/assets/download/9.Policy\\_for\\_determining\\_Material\\_Subsiary.pdf](http://www.praxisretail.in/assets/download/9.Policy_for_determining_Material_Subsiary.pdf)

### Details of Non-Compliance

The Company has complied with all the requirements of regulatory authorities. Since post-listing i.e. 31<sup>st</sup> January, 2018 onwards 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.

### Establishment of Whistle-Blower Policy/Vigil Mechanism

The Company has established a Whistle-Blower Policy/Vigil Mechanism. 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. This

Policy inter-alia provides direct access to a Whistle Blower to the Chairperson of the Audit Committee. The establishment of Vigil Mechanism is available on the website of the Company at the [http://www.praxisretail.in/assets/download/5.Vigil\\_Mechanism\\_Final.pdf](http://www.praxisretail.in/assets/download/5.Vigil_Mechanism_Final.pdf)

### Compliance with Mandatory Requirements

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

### Discretionary Requirements (Part E of Schedule II of Listing Regulations)

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

**Shareholders' Rights:** Quarterly and half yearly financial results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company hence no half yearly results were sent to the household of each Shareholder. Also details of significant events as and when arises shall be uploaded on the website of the Company under the Investors Section.

**Modified opinion(s) in Audit Report:** During the year under review, the Statutory Auditors of the Company have given unmodified audit opinion on the Company's financial statements. The Company continues to adopt the best practices so as to have unmodified audit opinion on financial statements.

**Separate Posts of Chairperson and CEO:** The position of Chairman & Managing Director is not separately held. The Articles of Association of the Company pursuant to Section 203(1) of the Companies Act, 2013 provides that the Managing Director can also act as the Chairperson of the Company.

**Reporting of Internal Auditors:** Internal Auditors' report is presented to the Audit Committee and the Internal Auditors are invited to the meetings of Audit Committee to make presentation on their observations during the course of their Internal Audit.

## 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 31<sup>st</sup> March, 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of 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 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 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

Place: Mumbai  
Date : 28<sup>th</sup> May, 2018

## Declaration on Compliance with Code of Conduct for Directors and Senior Management

To  
The Members  
**Praxis Home Retail Limited**

I hereby declare that 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 31<sup>st</sup> March, 2018.

For Praxis Home Retail Limited

**Viraj Didwania**

Chairman & Managing Director  
DIN : 02412474

Place: Mumbai  
Date : 21<sup>st</sup> May, 2018

## Independent Auditors' Report

**To the Members of Praxis Home Retail Limited (formerly known as Praxis Home Retail Private Limited)**

### Report on the Ind AS Financial Statements

1. We have audited the accompanying financial statements of **Praxis Home Retail Limited** (formerly known as Praxis Home Retail Private Limited) ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of state of affairs (financial position), loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Independent Auditors' Report (Contd.)

### Other Matters

9. The comparative financial information of the Company for the year ended 31<sup>st</sup> March, 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April, 2016 included in these Ind AS financial statements are based on previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by M/s Rajen Damani & Associates, Chartered Accountants whose report for the year ended 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 dated 10<sup>th</sup> April, 2017 and 30<sup>th</sup> June, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of above matter.

### Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has no pending litigations as at 31<sup>st</sup> March, 2018 on its financial position in its Ind AS financial statements;
  - ii. The Company has no long-term contracts and derivative contracts as at 31<sup>st</sup> March, 2018 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 during the year ended 31<sup>st</sup> March, 2018;

**For Pathak H. D. & Associates**  
Chartered Accountants  
Firm's Registration No:107783W

**Vishal D. Shah**  
Partner  
Membership No:119303

Place: Mumbai  
Date: 28<sup>th</sup> May, 2018

## Annexure A to Independent Auditors' Report

**Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Praxis Home Retail Limited (formerly known as Praxis Home Retail Private Limited) on the financial statements as of and for the year ended March 31, 2018**

- (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 according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been 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, So the clause is not applicable to the Company.
- (ii) 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) 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.
- (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, income-tax, sales tax, goods and service tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, goods and service tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable were outstanding for a period of 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 income-tax, sales-tax, goods and service tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not availed any loans or borrowings from any financial institution or bank or Government or dues to debenture holders. Hence, the reporting requirement under paragraph 3(viii) of the Order is not applicable.
- (ix) During the year the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans hence the reporting requirements under paragraph 3(ix) of the Order is not applicable.

## Annexure A to Independent Auditors' Report (Contd.)

- (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) During the year, the Company has paid managerial remuneration in excess of the limits prescribed under Schedule V of Section 197 of the Act and the said excess amount was recovered from the Key Managerial Personnel during the year ended 31<sup>st</sup> March, 2018.
- (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) 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 Ind AS financial statements.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (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) 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**  
Chartered Accountants  
Firm's Registration No:107783W

**Vishal D. Shah**  
Partner  
Membership No:119303

Place: Mumbai  
Date: 28<sup>th</sup> May, 2018

## Annexure B to Auditors' Report

[Annexure to the Independent Auditor's Report referred to in paragraph "11(f)" under the heading "Report on other legal and regulatory requirements" of our report of even date on the Ind AS financial statements of Praxis Home Retail Limited (formerly known as Praxis Home Retail Private Limited) for year ended 31<sup>st</sup> March, 2018.]

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Praxis Home Retail Limited (formerly known as Praxis Home Retail Private Limited) ("the Company") as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the 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 over financial

reporting 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 over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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 over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.



## Annexure B to Auditors' Report (Contd.)

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Pathak H. D. & Associates**  
Chartered Accountants  
Firm's Registration No:107783W

**Vishal D. Shah**  
Partner  
Membership No:119303

Place: Mumbai  
Date: 28<sup>th</sup> May, 2018

## Balance Sheet as at 31<sup>st</sup> March, 2018

(₹ in Lakh)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>ASSETS</b>				
<b>1. Non-Current Assets</b>				
Property, Plant and Equipment	3	22.89	31.69	-
Goodwill	4	61.16	61.16	-
Other Intangible Assets	4	48.44	69.07	-
Intangible Assets Under Development	4	1.12	1.12	-
Financial Assets				
Other Financial Assets	5	12,476.59	-	-
Deferred Tax Asset	6	83.96	15.84	-
<b>Total Non-Current Assets</b>		<b>12,694.16</b>	<b>178.88</b>	<b>-</b>
<b>2. Current Assets</b>				
Inventories	7	18,489.35	-	-
Financial Assets				
Trade Receivables	8	706.24	-	-
Cash and Cash Equivalents	9	459.16	78.87	0.06
Bank Balances Other than Cash and Cash Equivalents	10	-	20.18	-
Loans	11	11.60	-	-
Others	12	202.92	105.89	-
Other Current Assets	13	2,229.29	178.13	-
<b>Total Current Assets</b>		<b>22,098.56</b>	<b>383.07</b>	<b>0.06</b>
<b>Total Assets</b>		<b>34,792.72</b>	<b>561.95</b>	<b>0.06</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	14	1,231.66	5.00	1.00
Other Equity	15	5,786.49	(2,008.68)	(2.19)
<b>Total Equity</b>		<b>7,018.15</b>	<b>(2,003.68)</b>	<b>(1.19)</b>
<b>Liabilities</b>				
<b>1. Non-Current Liabilities</b>				
Financial Liabilities				
Borrowings	16	420.53	-	-
Other Financial Liabilities	17	-	630.00	1.08
Provisions	18	183.69	43.69	-
<b>Total Non-Current Liabilities</b>		<b>604.22</b>	<b>673.69</b>	<b>1.08</b>
<b>2. Current Liabilities</b>				
Financial Liabilities				
Borrowings	19	128.73	-	-
Trade Payables	20	23,125.77	1,069.91	-
Other Financial Liabilities	21	426.93	-	-
Other Current Liabilities	22	3,429.79	821.61	0.17
Provisions	23	59.11	0.39	-
<b>Total Current Liabilities</b>		<b>27,170.33</b>	<b>1,891.91</b>	<b>0.17</b>
<b>Total Equity and Liabilities</b>		<b>34,792.72</b>	<b>561.95</b>	<b>0.06</b>

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

As per our report of even date attached

**For Pathak H. D. & Associates**

**For and on behalf of Board of Directors**

Chartered Accountants  
Firm Registration No.: 107783W

**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 : 28<sup>th</sup> May, 2018

**Harish Parasuram**  
Chief Financial Officer  
Membership No.: 109138

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

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2018

(₹ in Lakh)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>INCOME</b>			
Revenue From Operations	24	38,054.06	665.23
Other Income	25	237.51	29.63
<b>Total Income</b>		<b>38,291.57</b>	<b>694.86</b>
<b>EXPENSES</b>			
Purchase of Stock-In-Trade		27,169.13	4.74
Change in Inventories of Stock-In-Trade	26	(3,857.78)	477.25
Employee Benefits Expense	27	3,719.24	803.86
Finance Costs	28	227.02	-
Depreciation and Amortization Expense	3 & 4	29.44	32.23
Rent including lease rentals		5,590.50	69.83
Other Expenses	29	5,691.57	1,328.59
<b>Total Expenses</b>		<b>38,569.12</b>	<b>2,716.50</b>
<b>Profit / (Loss) Before Tax</b>		<b>(277.55)</b>	<b>(2,021.64)</b>
<b>Tax Expense</b>	35		
(1) Current Tax		-	-
(2) Deferred Tax		(78.45)	(15.62)
<b>Profit / (Loss) for the year</b>		<b>(199.10)</b>	<b>(2,006.02)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(a) Re-measurements of defined benefit plans		31.27	(0.70)
(b) Income Tax relating to above		(10.34)	0.23
<b>Other Comprehensive Income for the year</b>		<b>20.93</b>	<b>(0.47)</b>
<b>Total Comprehensive Income for the year</b>		<b>(178.17)</b>	<b>(2,006.49)</b>
<b>Earnings Per Equity Share of Face Value of ₹ 5/- each</b>	36		
<b>Basic and Diluted</b>		<b>(2.67)</b>	<b>(12,602.35)</b>

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

As per our report of even date attached  
For Pathak H. D. & Associates

Chartered Accountants  
Firm Registration No.: 107783W

**Vishal D. Shah**  
Partner  
Membership No.: 119303

Place : Mumbai  
Date : 28<sup>th</sup> May, 2018

**Viraj Didwania**  
Chairman & Managing Director  
DIN 02412474

**Pankaj Bhargava**  
Director  
DIN 02685275

**Harish Parasuram**  
Chief Financial Officer  
Membership No.: 109138

For and on behalf of Board of Directors

**Sridevi Badiga**      **S. Subramanian**  
Director                      Director  
DIN 02362997              DIN 00092215

**Shrirang Sarada**      **Shantanu Shah**  
Director                      Director  
DIN 00576667              DIN 07012322

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

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2018

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>(A) EQUITY SHARE CAPITAL</b>			
<b>Opening Balance</b>	5.00	1.00	1.00
Issued pursuant to the Composite Scheme of Arrangement (Refer Note No. 40)	1,231.66	-	-
Issue of fresh equity shares	-	4.00	-
Shares reduced due to reduction and re-organisation (Refer Note No. 40)	(5.00)	-	-
<b>Closing Balance</b>	<b>1,231.66</b>	<b>5.00</b>	<b>1.00</b>
<b>(B) OTHER EQUITY</b>			
<b>Retained Earnings</b>			
<b>Opening Balance</b>	(2,008.68)	(2.19)	(2.12)
Profit/(Loss) for the year	(199.10)	(2,006.02)	(0.07)
<b>Other Comprehensive Income/(Loss) for the year</b>			
Re-measurement of defined benefit plans	31.27	(0.70)	-
Income Tax relating to above	(10.34)	0.23	-
<b>Closing Balance</b>	<b>(2,186.85)</b>	<b>(2,008.68)</b>	<b>(2.19)</b>
<b>Capital Redemption Reserve</b>			
<b>Opening Balance</b>	-	-	-
On Composite Scheme of Arrangement (Refer Note No. 40)	5.00	-	-
<b>Closing Balance</b>	<b>5.00</b>	<b>-</b>	<b>-</b>
<b>Capital Reserve</b>			
<b>Opening Balance</b>	-	-	-
On Composite Scheme of Arrangement (Refer Note No. 40)	7,968.34	-	-
<b>Closing Balance</b>	<b>7,968.34</b>	<b>-</b>	<b>-</b>
<b>TOTAL OTHER EQUITY</b>	<b>5,786.49</b>	<b>(2,008.68)</b>	<b>(2.19)</b>

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

As per our report of even date attached  
For Pathak H. D. & Associates

Chartered Accountants  
Firm Registration No.: 107783W

**Vishal D. Shah**  
Partner  
Membership No.: 119303

Place : Mumbai  
Date : 28<sup>th</sup> May, 2018

**Viraj Didwania**  
Chairman & Managing Director  
DIN 02412474

**Pankaj Bhargava**  
Director  
DIN 02685275

**Harish Parasuram**  
Chief Financial Officer  
Membership No.: 109138

For and on behalf of Board of Directors

**Sridevi Badiga**  
Director  
DIN 02362997

**S. Subramanian**  
Director  
DIN 00092215

**Shrirang Sarda**  
Director  
DIN 00576667

**Shantanu Shah**  
Director  
DIN 07012322

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

## Statement of Cash Flow for the year ended 31<sup>st</sup> March, 2018

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) Before Tax	(277.55)	(2,021.64)
<b>Adjustments For:</b>		
Depreciation and Amortization Expense	29.44	32.23
Finance Costs	227.02	-
Interest Income	-	(9.18)
Re-measurement of net defined benefit plans	40.67	11.18
Loss on damage and on slow moving inventory	35.88	-
Fair value gain on financial instruments	(220.54)	-
<b>Operating Cash Flow Before Working Capital Changes</b>	<b>(165.08)</b>	<b>(1,987.41)</b>
<b>Adjustments For:</b>		
Trade Receivables	(706.24)	0.04
Loans, Other Financial Assets and Other Assets	(4,614.34)	(137.70)
Inventories	(3,893.66)	477.27
Trade Payables	8,428.98	782.99
Other Financial Liabilities, Other Liabilities and Provisions	1,026.73	707.74
<b>Cash Generated from Operations</b>	<b>76.40</b>	<b>(157.07)</b>
Taxes paid	-	-
<b>Net Cash Flows Generated from / (used in) Operating Activities</b>	<b>76.40</b>	<b>(157.07)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	-	(57.90)
Investment in Fixed Deposits	-	(20.18)
Redemption of Fixed Deposits	20.18	-
Interest Received	-	9.18
<b>Net Cash flow Generated from / (Used In) Investing Activities</b>	<b>20.18</b>	<b>(68.90)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares	-	4.00
Proceeds from short term borrowings	128.73	-
Interest Paid	(215.95)	-
<b>Net Cash flow Generated from Financing Activities</b>	<b>(87.22)</b>	<b>4.00</b>
On Composite Scheme of Arrangement	370.94	300.78
<b>Net (Decrease)/Increase In Cash and Cash Equivalents</b>	<b>380.30</b>	<b>78.81</b>
Cash and Cash Equivalents (Opening Balance)	78.87	0.06
Cash and Cash Equivalents (Closing Balance)	459.16	78.87
<b>Components of Cash and Cash Equivalents (Refer Note No. 9)</b>	<b>459.16</b>	<b>78.87</b>

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

As per our report of even date attached

**For Pathak H. D. & Associates**

Chartered Accountants  
Firm Registration No.: 107783W

**Vishal D. Shah**  
Partner  
Membership No.: 119303

Place : Mumbai  
Date : 28<sup>th</sup> May, 2018

**Viraj Didwania**  
Chairman & Managing Director  
DIN 02412474

**Pankaj Bhargava**  
Director  
DIN 02685275

**Harish Parasuram**  
Chief Financial Officer  
Membership No.: 109138

**For and on behalf of Board of Directors**

**Sridevi Badiga**      **S. Subramanian**  
Director                      Director  
DIN 02362997              DIN 00092215

**Shrirang Sarda**      **Shantanu Shah**  
Director                      Director  
DIN 00576667              DIN 07012322

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

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018

### 1. General Information

Praxis Home Retail Limited ("PHRL" or "the Company") was originally incorporated on 31<sup>st</sup> January, 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 21<sup>st</sup> December, 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 5<sup>th</sup> January, 2017 by RoC. Pursuant to the Composite Scheme of Arrangements under the relevant provisions of the Companies Act, 2013, the Company becomes 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, BSE and NSE. 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.

The Financial Statements were approved by the Board of Directors of the Company on 28<sup>th</sup> May, 2018.

### 2. Company overview and Significant Accounting Policies

#### 2.1 Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements for all periods up to and including the year ended 31<sup>st</sup> March, 2017 were prepared in accordance with the Accounting Standards notified under Section 133 of Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014 ("Previous GAAP").

As these financial statements for the year ended 31<sup>st</sup> March, 2018 are the first financial statements of the Company prepared in accordance with Ind AS, Ind AS 101, "First-time Adoption of Indian

Accounting Standards" has been applied. An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition are provided in Note No 2.26.

The financial statements are presented in 'Indian Rupees', which also is the Company's functional currency and all amounts, are rounded to the nearest Lakh, with two decimals, unless otherwise stated.

The policies set out below have been consistently applied during the years presented.

#### 2.2 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

#### 2.3 Use of judgements, estimates & assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgement and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, the disclosure of contingent asset and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of such changes in the circumstances surrounding the estimates. Changes in estimate are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 2.4 New Accounting Standards and Interpretations not yet effective

Amendments to Ind AS 115, 'Revenue from Contracts with Customers':

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

Standards) Amendment Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1<sup>st</sup> April, 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1<sup>st</sup> April, 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The Company is evaluating the amendment and the impact on the financial statements.

Appendix B to Ind AS 21, foreign currency transactions and advance consideration:

On 28<sup>th</sup> March, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment is effective from 1<sup>st</sup> April, 2018. The Company is evaluating the requirement of the amendment and the impact on the Financial Statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

### 2.5 Revenue Recognition

Revenue is recognized on a fair value basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably.

#### Sale of products

Revenue from the sale of products is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of products.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payments and net of returns and allowances, trade discounts and volume rebates but does not include taxes and duties collected on behalf of the government.

#### Sale of Services

Revenue from services are recognized as they are rendered based on the arrangements with the customers.

#### 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.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

- b. 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.
- c. The Cost of Property, Plant and Equipment acquired in a business combination is recorded at fair value less cost to sell.
- d. 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.
- e. Property, Plant and Equipment are eliminated from the financial statements, either on disposal or when retired from active use.
- f. 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.
- g. The Company depreciates Property, Plant & Equipment over their estimated useful lives using the "Written Down Value" method as prescribed under Schedule II of the Act. The estimated useful lives of the Asset are as follows:

Assets	Useful life of asset
Plant and Machinery	15 years
Office Equipment	5 years
Furniture and Fixture	10 years
Computers	3 years

- h. **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 residual values, useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.7 Impairment of Non Financial Assets

Assessment for Impairment is done at each balance sheet date as to whether there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### 2.8 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:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

- iii) It is expected to be realised within 12 months after the reporting date or;
- iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i) It is expected to be settled in the Company's normal operating cycle;
- ii) It is held primarily for the purpose of being traded;
- 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.

## 2.9 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:

- In the principal market for the asset or liability, or ;
- 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.

## 2.10 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.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 2.11 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.

#### Financial Assets:

##### a) 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.

##### b) 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.

##### c) 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.

##### d) 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

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

the received cash flows in full without material delay to a third party under a "pass through" arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### 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. Fees paid on the establishment of loan facilities are recognised as transaction

costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

#### 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.

### 2.12 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.

### 2.13 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

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

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.

### 2.14 Contingent Liabilities and Contingent Assets

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent Asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

### 2.15 Foreign Currency Translation

#### 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 generally 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.

### 2.16 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.

### 2.17 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 and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Deferred Tax

Deferred Tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

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 income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 2.18 Employee Benefits

#### Short Term Employee Benefits

Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

#### Post-Employment Benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

Post-employment benefits are recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.

The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Gains and losses through re-measurement of the net defined benefit liability / (assets) are recognized in other comprehensive income. The actual return

of the portfolio of plan assets, in excess of the yield computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income.

### 2.19 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.

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.

### 2.20 Leases

Leases where significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of Profit or Loss on a straight-line basis over the period of the lease term.

### 2.21 Business Combinations

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

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

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.

### 2.22 Borrowing Costs:

Borrowing Costs 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.

### 2.23 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.

### 2.24 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 on unused brought forward losses, which according to the management will expire and may not be used to offset taxable gain, 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 (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries. Refer Note No. 33 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

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

forward looking estimates at the end of each reporting period.

Refer Note No. 31 on financial risk management where credit risk and related impairment disclosures are made.

For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 – First time adoption of Indian Accounting Standards, with 1<sup>st</sup> April, 2016 as the transition date.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in above note have been applied in preparing the Financial Statements for the year ended 31<sup>st</sup> March, 2018 and the comparative information.

An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss and Cash Flow Statement is set out in below note:-

### 2.25 First Time Adoption of Ind AS

#### Transition to Ind AS

These are Company's first financial statements prepared in accordance with Ind AS.

The Accounting policies set out in note 2 have been applied in preparing the Financial Statements for the year ended 31<sup>st</sup> March, 2018, the comparative information presented in these financial statements for the year ended 31<sup>st</sup> March, 2017.

#### a. Reconciliation of equity as on 31<sup>st</sup> March, 2017 and 1<sup>st</sup> April, 2016.

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 01 <sup>st</sup> April, 2016
<b>Equity as per Previous GAAP</b>	2.47	(1.19)
Adjustment on account of adoption of Ind AS	-	-
Application of Ind AS 103 – Business Combinations (Refer Note No. 7)	(2,006.15)	-
<b>Equity as per Ind AS</b>	<b>(2,003.68)</b>	<b>(1.19)</b>

#### b. Reconciliation of Statement of Profit and Loss accounts for the year ended 31<sup>st</sup> March, 2017.

(₹ in Lakh)

Particulars	For the year ended 31 <sup>st</sup> March, 2017
<b>Net profit as per Previous GAAP</b>	(0.34)
Adjustment on account of adoption of Ind AS	-
Application of Ind AS 103 – Business Combinations (Refer Note No. 7)	(2,005.68)
<b>Net profit as per Ind AS</b>	<b>(2,006.02)</b>
Other Comprehensive Income	(0.47)
<b>Total Comprehensive Income reported under Ind AS</b>	<b>(2,006.49)</b>

#### c. Impact of Ind AS adoption on the Statement of Cash Flow for the year ended 31<sup>st</sup> March, 2017.

(₹ in Lakh)

Particulars	As per Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Net Cash flow/(used in) from operating activities	(0.46)	(156.61)	(157.07)
Net Cash flow/(used in) from investing activities	-	(68.90)	(68.90)
Net Cash flow/(used in) from financing activities	2.92	1.08	4.00
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2.46</b>	<b>(224.43)</b>	<b>(221.97)</b>
<b>On Composite Scheme of Arrangement</b>	<b>-</b>	<b>300.78</b>	<b>300.78</b>
Cash and Cash equivalents as on 1 <sup>st</sup> April, 2016	0.06	-	0.06
<b>Cash and Cash equivalents as on 31<sup>st</sup> March, 2017</b>	<b>2.52</b>	<b>76.35</b>	<b>78.87</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 3. Property, Plant and Equipment

(₹ in Lakh)					
	Plant and Equipment	Office Equipment	Furniture and Fixture	Computers	Total
<b>Deemed cost</b>					
<b>As on 1<sup>st</sup> April, 2016</b>	-	-	-	-	-
Acquisition through Composite Scheme of Arrangements #	0.90	17.82	13.39	10.79	42.90
Additions	-	1.30	-	-	1.30
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2017</b>	<b>0.90</b>	<b>19.12</b>	<b>13.39</b>	<b>10.79</b>	<b>44.20</b>
Additions	-	-	-	-	-
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2018</b>	<b>0.90</b>	<b>19.12</b>	<b>13.39</b>	<b>10.79</b>	<b>44.20</b>
<b>Accumulated Depreciation</b>					
<b>As on 1<sup>st</sup> April, 2016</b>	-	-	-	-	-
Depreciation	0.16	8.77	3.58	-	12.51
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2017</b>	<b>0.16</b>	<b>8.77</b>	<b>3.58</b>	-	<b>12.51</b>
Depreciation	0.13	4.54	2.65	1.49	8.81
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2018</b>	<b>0.29</b>	<b>13.31</b>	<b>6.23</b>	<b>1.49</b>	<b>21.32</b>
<b>Net Book Value</b>					
<b>As on 31<sup>st</sup> March, 2017</b>	<b>0.74</b>	<b>10.35</b>	<b>9.81</b>	<b>10.79</b>	<b>31.69</b>
<b>As on 31<sup>st</sup> March, 2018</b>	<b>0.61</b>	<b>5.81</b>	<b>7.16</b>	<b>9.30</b>	<b>22.89</b>

# Refer Note No. 40

### 4. Intangible Assets

(₹ in Lakh)					
	Brand / Trademark and others	Computer Software	Goodwill	Total	Intangible Assets Under Development
<b>Deemed cost</b>					
<b>As on 1<sup>st</sup> April, 2016</b>	-	-	-	-	-
Acquisition through Composite Scheme of Arrangements #	21.40	10.76	61.16	93.32	1.12
Additions	1.61	55.00	-	56.61	-
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2017</b>	<b>23.01</b>	<b>65.76</b>	<b>61.16</b>	<b>149.93</b>	<b>1.12</b>
Additions	-	-	-	-	-
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2018</b>	<b>23.01</b>	<b>65.76</b>	<b>61.16</b>	<b>149.93</b>	<b>1.12</b>
<b>Accumulated Depreciation</b>					
<b>As on 1<sup>st</sup> April, 2016</b>	-	-	-	-	-
Amortisation expense	7.29	12.42	-	19.71	-
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2017</b>	<b>7.29</b>	<b>12.42</b>	-	<b>19.71</b>	-
Amortisation expense	1.86	18.77	-	20.63	-
Disposals/Transfer	-	-	-	-	-
<b>As on 31<sup>st</sup> March, 2018</b>	<b>9.15</b>	<b>31.19</b>	-	<b>40.34</b>	-
<b>Net Book Value</b>					
<b>As on 31<sup>st</sup> March, 2017</b>	<b>15.72</b>	<b>53.34</b>	<b>61.16</b>	<b>130.22</b>	<b>1.12</b>
<b>As on 31<sup>st</sup> March, 2018</b>	<b>13.86</b>	<b>34.57</b>	<b>61.16</b>	<b>109.59</b>	<b>1.12</b>

**Notes:-**

- (1) Intangible assets are other than internally generated
- (2) Balance Useful life of Intangible assets - 5 to 8 years

# Refer Note No. 40



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 5. Non-Current Financial Assets - Others

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Unsecured, Considered Good			
Security Deposits	12,476.59	-	-
<b>Total</b>	<b>12,476.59</b>	<b>-</b>	<b>-</b>

### 6. Deferred Tax Assets / (Liability)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Deferred Tax Assets in relation to</b>			
Property, Plant and Equipments and Intangible Assets	3.69	1.27	-
Provision for employee benefits	80.27	14.57	-
<b>Total</b>	<b>83.96</b>	<b>15.84</b>	<b>-</b>

### 7. Inventories

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Stock-in-Trade	18,296.31	-	-
(Goods-in-Transit of ₹ 573.92 Lakh)			
Packing Materials and Others	193.04	-	-
<b>Total</b>	<b>18,489.35</b>	<b>-</b>	<b>-</b>

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

During FY 2017-18 an amount of ₹ 35.88 Lakh (31<sup>st</sup> March, 2017 : NIL, 1<sup>st</sup> April, 2016 : NIL) was charged to the Statement of Profit and Loss on account of damage and slow moving inventory.

### 8. Financial Assets Current

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Trade Receivables</b>			
Unsecured, Considered Good	706.24	-	-
<b>Total</b>	<b>706.24</b>	<b>-</b>	<b>-</b>

### 9. Cash and Cash Equivalents

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Balances with Banks			
On Current Accounts	252.04	78.87	0.06
Cheques on Hand	149.74	-	-
Cash on Hand	57.38	-	-
<b>Total</b>	<b>459.16</b>	<b>78.87</b>	<b>0.06</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 10. Bank Balances Other Than Cash and Cash Equivalents

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Deposit With Banks*	-	20.18	-
<b>Total</b>	<b>-</b>	<b>20.18</b>	<b>-</b>

\*Deposits with original maturity for more than 3 months but less than 12 months

### 11. Current Financial Assets-Loans

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Unsecured, Considered Good Loans to Employees	11.60	-	-
<b>Total</b>	<b>11.60</b>	<b>-</b>	<b>-</b>

### 12. Current Financial Assets-Others

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Security Deposit	2.24	9.31	-
Other Receivables	200.68	96.58	-
<b>Total</b>	<b>202.92</b>	<b>105.89</b>	<b>-</b>

### 13. Other Current Assets

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Unsecured, Considered Good, unless otherwise stated			
Advance to Suppliers	1,054.10	-	-
Advance to Others	24.46	-	-
Prepaid Expenses	85.34	16.35	-
Balances with Statutory Authorities	1,064.45	161.78	-
Balances with Statutory Authorities - Considered Doubtful	103.60	103.60	-
Others	0.94	-	-
	<b>2,332.89</b>	<b>281.73</b>	<b>-</b>
Less : Provision for doubtful advances	(103.60)	(103.60)	-
<b>Total</b>	<b>2,229.29</b>	<b>178.13</b>	<b>-</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 14. Equity Share Capital

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Authorised</b>			
3,54,00,000 equity shares of ₹ 5 each (31 <sup>st</sup> March 2017: 50,000 equity shares of ₹ 10 each, 1 <sup>st</sup> April 2016: 10,000 equity shares of ₹ 10/- each)	1,770.00	5.00	1.00
<b>Issued</b>			
2,46,38,426 equity shares of ₹ 5 each (31 <sup>st</sup> March 2017: 50,000 equity shares of ₹ 10 each, 1 <sup>st</sup> April 2016: 10,000 equity shares of ₹ 10/- each)	1,231.92	5.00	1.00
<b>Subscribed and Paid up</b>			
2,46,33,208 equity shares of ₹ 5 each (31 <sup>st</sup> March 2017: 50,000 equity shares of ₹ 10 each, 1 <sup>st</sup> April 2016: 10,000 equity shares of ₹ 10/- each)	1,231.66	5.00	1.00

#### (i) Reconciliation of Number of Equity Shares

Particulars	As at 31 <sup>st</sup> March, 2018 Number of Shares	As at 31 <sup>st</sup> March, 2017 Number of Shares	As at 1 <sup>st</sup> April, 2016 Number of Shares
Opening Balance (Equity Shares of ₹ 10/- each)	50,000	10,000	10,000
Add : Shares Issued (Equity Shares of ₹ 10/- each)	-	40,000	-
Add: Issue of Equity Shares of ₹ 5/- each pursuant to the Scheme of Arrangement (Refer Note No. 40)	2,46,38,426	-	-
Less: Shares reduced due to reduction and re-organisation of ₹ 10/- each*	50,000	-	-
Share issued (Equity Shares of ₹ 5/- each, 31 <sup>st</sup> March, 2017 of ₹ 10/- each)	2,46,38,426	50,000	10,000
Less: Shares kept in abeyance (Refer Note No. iii below)	5,218	-	-
Shares Subscribed (Equity Shares of ₹ 5/- each, 31 <sup>st</sup> March, 2017 of ₹ 10/- each)	2,46,33,208	50,000	10,000

#### (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 Share 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 the shareholder.

#### (iii) Pursuant to the provisions of the Companies Act, 2013, the issue of 5,218 Equity Shares are kept in abeyance corresponding to their status in Future Retail Limited.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

(iv) **Details of Shares pledged**

Particulars	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
No. of Shares pledged by promoters	35,74,158	-
No. of Shares under Lock-in	47,13,382	-

(v) **Out of the total subscribed shares 5,034 shares are still unclaimed by the shareholders as at 31<sup>st</sup> March, 2018.**

(vi) **Shares in the Company held by each shareholder holding more than 5% shares and number of shares held are as under:**

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 1 <sup>st</sup> April, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares</b>						
Suhani Trading and Investment Consultants Pvt Ltd.	1,16,82,558	47.43	-	-	-	-
Bennet, Coleman & Company Limited and its PACs	24,73,861	10.04	-	-	-	-
GRN Finsec Pvt. Ltd.	-	-	49,999	100.00	9,999	100.00

### 15. Other Equity

Particulars	(₹ in Lakh)		
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Capital Reserve</b>			
<b>Opening Balance</b>	-	-	-
On Composite Scheme of Arrangement (Refer Note No. 40)	7,968.34	-	-
<b>Closing Balance</b>	<b>7,968.34</b>	-	-
<b>Capital Redemption Reserve</b>			
<b>Opening Balance</b>	-	-	-
On Composite Scheme of Arrangement (Refer Note No. 40)	5.00	-	-
<b>Closing Balance</b>	<b>5.00</b>	-	-
<b>Retained Earnings</b>			
<b>Opening Balance</b>	(2,008.68)	(2.19)	(2.12)
Profit/(Loss) for the year	(199.10)	(2,006.02)	(0.07)
<b>Other Comprehensive Income/(Loss) for the year</b>			
Re-measurement Profit/(Losses) on defined benefit Plans	31.27	(0.70)	-
Income Tax relating to above	(10.34)	0.23	-
<b>Closing Balance</b>	<b>(2,186.84)</b>	<b>(2,008.68)</b>	<b>(2.19)</b>
<b>TOTAL OTHER EQUITY</b>	<b>5,786.49</b>	<b>(2,008.68)</b>	<b>(2.19)</b>

**Nature and Purpose of Reserves:**

a) **Capital Reserve**

During the financial year ended 31<sup>st</sup> March, 2018, the Capital Reserve of ₹ 7,968.34 Lakh recognised due to demerger of retail HomeTown division, pursuant to the Composite Scheme of Arrangement with Future Retail Limited. (Refer Note No. 40)

b) **Capital Redemption Reserve**

During the financial year ended 31<sup>st</sup> March, 2018, the Capital Redemption Reserve of ₹ 5.00 Lakh recognised due to demerger of retail HomeTown division, pursuant to the Composite Scheme of Arrangement with Future Retail Limited. (Refer Note No. 40)

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 16. Non-Current Financial Liabilities - Borrowings

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Unsecured</b>			
Preference Shares*	420.53	-	-
* 6,30,000 non-cumulative redeemable preference shares of ₹ 100/- each, bearing coupon rate of 9% p.a. were allotted to the eligible shareholders of Bluerock eServices Private Limited on 8 <sup>th</sup> December, 2017 (Refer Note No. 40)			
<b>Total</b>	<b>420.53</b>	<b>-</b>	<b>-</b>

### 17. Other Non-Current Financial Liabilities

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Preference Shares Suspense Account (Refer Note No. 40)	-	630.00	-
Others	-	-	1.08
<b>Total</b>	<b>-</b>	<b>630.00</b>	<b>1.08</b>

### 18. Non-Current Liabilities - Provisions

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Provision for Employee Benefits			
Gratuity	103.00	25.41	-
Compensated Absences	80.69	18.28	-
<b>Total</b>	<b>183.69</b>	<b>43.69</b>	<b>-</b>

### 19. Borrowings

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Secured*			
Working Capital Loan from Bank	128.73	-	-
<b>Total</b>	<b>128.73</b>	<b>-</b>	<b>-</b>

\* Secured on Current Assets of Future Retail Limited

### 20. Trade Payables

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Trade Payable*	23,125.77	1,069.91	-
<b>Total</b>	<b>23,125.77</b>	<b>1,069.91</b>	<b>-</b>

\*Pursuant to the amendment of Schedule III of the Companies Act, 2013, regarding disclosure of amount due to creditors which are Micro, Medium and Small Enterprises (MSME), the Company has not received any intimation regarding the MSME status from the creditors hence, disclosures, if any, relating to amounts unpaid as at the period-end along with the interest paid / payable as required under the said Act have not been given.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 21. Other Financial Liabilities-Current

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Salary and Employee benefits payable	426.93	-	-
<b>Total</b>	<b>426.93</b>	<b>-</b>	<b>-</b>

### 22. Other Current Liabilities

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Advances From Customers	2,864.73	686.71	-
Statutory Liabilities	287.43	9.57	0.17
Other Payables	277.63	125.33	-
<b>Total</b>	<b>3,429.79</b>	<b>821.61</b>	<b>0.17</b>

### 23. Current Provisions

(₹ in Lakh)			
Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Provision for Employee Benefits			
Gratuity	49.89	0.39	-
Compensated Absences	9.22	-	-
<b>Total</b>	<b>59.11</b>	<b>0.39</b>	<b>-</b>

### 24. Revenue From Operations

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Sale of Products	37,796.54	49.92
Other Operating Revenue	257.52	615.31
<b>Total</b>	<b>38,054.06</b>	<b>665.23</b>

### 25. Other Income

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Interest Income	-	9.18
Parking Income	6.63	-
Fair Value gains on financial instruments at amortized cost	220.54	-
Exchange Fluctuation Loss (Net)	5.28	-
Other Income	5.06	20.45
<b>Total</b>	<b>237.51</b>	<b>29.63</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 26. Changes In Inventories of Stock-In-Trade

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Opening Inventories</b>		
Stock-In-Trade	-	477.25
Add : On Composite Scheme of Arrangement (Refer Note No. 40)	14,631.57	-
<b>Closing Inventories</b>		
Stock-In-Trade	18,489.35	-
<b>Total</b>	<b>(3,857.78)</b>	<b>477.25</b>

### 27. Employee Benefits Expense

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Salaries, Wages and Bonus	3,401.22	748.80
Contribution to Provident and Other Fund	179.25	28.02
Gratuity	40.67	11.18
Staff Welfare Expenses	98.10	15.85
<b>Total</b>	<b>3,719.24</b>	<b>803.86</b>

### 28. Finance Costs

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Interest Expenses	80.31	-
Other Finance Costs	146.71	-
<b>Total</b>	<b>227.02</b>	-

### 29. Other Expenses

(₹ in Lakh)		
Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Consumption of Stores & Spares	120.28	-
Power & Fuel	1,110.81	20.10
Repairs and Maintenance	112.77	17.98
Insurance	31.63	11.17
Rates and Taxes	48.09	22.11
Communication Expenses	64.62	16.71
Travelling & Conveyance	340.85	31.79
Printing & Stationery	107.43	4.82
Advertisement and Marketing	1,600.96	654.28
Legal & Professional Fees	513.74	56.10
Payment to Auditors	25.00	-
Exchange Fluctuation Loss (Net)	-	0.04
Subvention Charges	864.43	-
Miscellaneous Expenses	750.96	493.49
<b>Total</b>	<b>5,691.57</b>	<b>1,328.59</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 30. 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 ₹ 706.24 Lakh, ₹ NIL and ₹ NIL as on 31<sup>st</sup> March, 2018, 31<sup>st</sup> March, 2017 and 1<sup>st</sup> April, 2016 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)

31 <sup>st</sup> March, 2018	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Interest bearing borrowings*	128.73	630.00	-	758.73
Trade Payables	23,125.74	-	-	23,125.74
Other Financial Liabilities	426.93	-	-	426.93
<b>Total</b>	<b>23,681.40</b>	<b>630.00</b>	-	<b>24,311.40</b>

(₹ in Lakh)

31 <sup>st</sup> March, 2017	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Trade Payables	1,069.91	-	-	1,069.91
Other Financial Liabilities	-	630.00	-	630.00
<b>Total</b>	<b>1,069.91</b>	<b>630.00</b>	-	<b>1,699.91</b>

(₹ in Lakh)

1 <sup>st</sup> April, 2016	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Other Financial Liabilities	-	1.08	-	1.08
<b>Total</b>	-	<b>1.08</b>	-	<b>1.08</b>

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

#### (c) Market Risk

Market Risk is the risk of changes in market prices – such as foreign exchange rate, interest rate, and equity prices – will affect the Company's income or values of its holdings of financial statements. The Company is not exposed to any significant currency risk and equity price risk.



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 31. Fair Value Measurements:

#### (a) Financial instruments by category

(₹ in Lakh)

Particulars	As at	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
	Amortised cost	Amortised cost	Amortised cost
<b>Financial Assets</b>			
Trade Receivables	706.24	-	-
Cash and cash equivalents	459.16	99.05	-
Loans	11.60	-	-
Other Financial Assets	12,679.51	105.89	-
<b>Total Financial Assets</b>	<b>13,856.52</b>	<b>204.94</b>	-
<b>Financial Liabilities</b>			
Borrowings	549.26	-	-
Trade Payables	23,125.77	1,069.91	-
Other Financial Liabilities	426.93	630.00	-
<b>Total Financial Liabilities</b>	<b>24,101.96</b>	<b>1,699.91</b>	-

#### (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 three levels prescribed under the Accounting Standards. 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 31<sup>st</sup> March, 2018

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Security Deposits	-	-	12,476.59	12,476.59
<b>Total Financial Assets</b>	-	-	<b>12,476.59</b>	<b>12,476.59</b>
<b>Financial Liabilities</b>				
Borrowings	-	420.53	-	420.53
<b>Total Financial Liabilities</b>	-	<b>420.53</b>	-	<b>420.53</b>

#### Assets and Liabilities which are measured at amortised cost for which Fair Values are disclosed as at 31<sup>st</sup> March, 2017

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Security Deposits	-	-	-	-
<b>Total Financial Assets</b>	-	-	-	-
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	-	-

#### Assets and Liabilities which are measured at amortised cost for which Fair Values are disclosed as at 1<sup>st</sup> April, 2016

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Security Deposits	-	-	-	-
<b>Total Financial Assets</b>	-	-	-	-
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
<b>Total Financial Liabilities</b>	-	-	-	-

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

(c) Fair Value of Financial Assets and Liabilities measured at amortised cost

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 1 <sup>st</sup> April, 2016	
	Carrying amount	Fair value	Carrying amount	Carrying amount	Fair value	Carrying amount
<b>Financial Assets</b>						
Security Deposits	12,476.59	12,476.59	-	-	-	-
<b>Total Financial Assets</b>	<b>12,476.59</b>	<b>12,476.59</b>	-	-	-	-
<b>Financial Liabilities</b>						
Borrowings	420.53	420.53	-	-	-	-
<b>Total Financial Liabilities</b>	<b>420.53</b>	<b>420.53</b>	-	-	-	-

(d) Valuation technique used to determine fair values

The carrying amount of current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of the non-current Borrowings are based on discount cash flow using current borrowing rate.

**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.

### 32. 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, trade and other payables, less cash and cash equivalents.

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
	Borrowings	549.26	-
Trade Payables	23,125.77	1,069.91	-
Other Payables	3,856.72	1,451.61	0.17
Less: Cash and Cash Equivalents	459.16	78.87	0.06
<b>Net Debt</b>	<b>27,072.59</b>	<b>2,442.65</b>	<b>1.19</b>
Equity	1,231.66	5.00	1.00
Other Equity	5,786.49	(2,008.68)	(2.19)
<b>Total Capital</b>	<b>7,018.15</b>	<b>(2,003.68)</b>	<b>(1.19)</b>
<b>Capital and Net Debt</b>	<b>34,090.74</b>	<b>438.97</b>	<b>0.00</b>
<b>Gearing Ratio</b>	<b>79.41%</b>	<b>556.45%</b>	<b>0.00%</b>

(B) DIVIDENDS: The Company has not paid any dividend during the year.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 33. Employee Benefits

The Company has various employee benefit schemes covering different categories of employees based on their location of employment.

#### a) Contribution Plans:

Amounts towards defined contribution plans have been recognised under "Contributions to Provident and other funds" in Note 27: ₹ 179.25 Lakh (31<sup>st</sup> March, 2017 - ₹ 28.02 Lakh).

#### b) Benefit Plans:

The Company operates the following defined benefit plans:

(i) Gratuity

(ii) Compensated Absences

##### (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 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 31<sup>st</sup> March, 2018. 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	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
Defined Benefit Obligation at the beginning of the year	25.80	14.62	-
Service Cost	34.07	9.35	-
Interest Cost	6.60	1.17	-
Acquisition	152.23	-	-
Benefits Paid	(8.74)	-	-
Re-measurement-Actuarial (gains)/losses	(31.27)	0.66	-
Write back	(25.80)	-	-
Defined Benefit Obligation at the end of the year	152.89	25.80	-
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	-	-	-

#### (b) Change in Fair Value of Plan Assets

(₹ in Lakh)

Particulars	As at	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
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	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
Defined Benefit Obligation	152.89	25.80	-
Fair value of Plan Assets	-	-	-
(Surplus) / Deficit	152.89	25.80	-
Effects of Assets Ceiling	-	-	-
Net Defined Benefit Liability / (Assets)	152.89	25.80	-

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 33. Employee Benefits (Contd.)

#### (d) Total Expenses Recognised in the Statement of Profit and Loss

(₹ in Lakh)

Particulars	As at	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
Current Service Cost	31.17	9.35	-
Net interest on the net defined benefit liability/assets	6.60	1.17	-
Immediate recognition of (gains)/losses – other long term benefits	-	-	-
Write back*	(25.80)	-	-
Total Expenses Recognised in the Statement of Profit and Loss	11.97	10.52	-

\* This provision for gratuity is related to demerged Company i.e. Bluerock eServices Private Limited, all the employees have left, hence this provision has been written back.

#### (e) Remeasurement effects recognised in Other Comprehensive Income (OCI)

(₹ in Lakh)

Particulars	As at	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
Actuarial Gains / (Losses)	(31.27)	(2.16)	-
Return on Plan Assets (Greater) / Less than discount rate	-	-	-
Gain / (Loss) from change in financial assumptions	-	2.86	-
Total Gain / (Loss) included in OCI	(31.27)	0.70	-

#### (f) Reconciliation of Amounts in Balance Sheet

(₹ in Lakh)

Particulars	As at	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
Defined Benefit Obligation at the beginning of the year	25.80	14.62	-
Defined Benefit cost included in Profit and Loss	37.77	10.48	-
Total amount included in OCI	(31.27)	0.70	-
Acquisition	152.22	-	-
Amount recognized due to Plan Combinations	2.91	-	-
Benefits paid	(8.74)	-	-
Write back	(25.80)	-	-
Defined Benefit Obligation at the end of the year	152.89	25.80	-

#### (g) Reconciliation of Amounts in Statement of Other Comprehensive Income (OCI)

(₹ in Lakh)

Particulars	As at	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	1 <sup>st</sup> April, 2016
OCI Income / (Loss) at the beginning of the year	-	-	-
Total Remeasurement included in OCI	(31.27)	0.70	-
OCI Income / (Loss) at the end of the year	(31.27)	0.70	-

#### (h) Expected Maturity Profile of Defined Benefit Obligation

(₹ in Lakh)

Particulars	As at
	31 <sup>st</sup> March, 2018
Year 1	9.38
Year 2	9.93
Year 3	10.94
Year 4	11.66
Year 5	11.79
Years 6 to 10	66.72

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 33. Employee Benefits (Contd.)

#### (i) Financial Assumptions

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Discount Rate	7.70%	7.35%	-
Expected rate of Salary increase	5.00%	5.50%	-

#### (j) Demographic Assumptions

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Mortality Rate	IALM (2006-08) ultimate	100% of IALM (2006-08)	-
Withdrawal Rate	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	60 Years	-

#### (k) Sensitivity Analysis

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Discount Rate</b>			
Discount Rate -100 basis points	169.79	-	-
Discount Rate +100 basis points	138.50	-	-
<b>Salary increase rate</b>			
Rate -100 basis points	138.69	-	-
Rate +100 basis points	169.27	-	-

#### (ii) Compensated Absences

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods or receive cash in lieu thereof as per Company policy. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded towards this benefit as at 31<sup>st</sup> March, 2018 is ₹ 89.90 Lakh (31<sup>st</sup> March, 2017 ₹ 18.28 Lakh). The principal assumptions used for computation of defined benefit plan equally apply to the computation of non-current compensated absences and are accordingly considered in the estimation of non-current benefits.

### 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.

### 35. Income Tax Expense

#### (i) Income Tax recognised in Statement of Profit and Loss

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Income Tax expense</b>		
Current Tax	-	-
Deferred Tax	(68.11)	(15.85)
Income Tax relating to Other Comprehensive Income	(10.34)	0.23
<b>Total Income Tax Expense</b>	<b>(78.45)</b>	<b>(15.62)</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### (ii) Reconciliation of Tax Expenses

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Profit before tax	(277.55)	(2,021.64)
Applicable tax rate	30.90%	30.90%
Computed expected tax benefit	(85.76)	(624.68)
<b>The effect of amounts which are not deductible in calculating taxable income</b>	-	-
Exempt income	90.92	-
Business loss on which no deferred tax asset is recognized	73.29	640.30
Tax Expense charged to the Statement of Profit and Loss	78.45	15.62

### (iii) Amount on which Deferred Tax Assets not Recognised

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unused Tax Losses	18,514.38	18,296.67
<b>Deferred Tax Assets</b>	<b>6,121.40</b>	<b>6,049.42</b>

### (iv) Deferred Tax Assets/(Liabilities)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Opening balance	15.84	-
Charged to Statement of Profit and Loss	68.12	15.84
<b>Closing balance</b>	<b>83.96</b>	<b>15.84</b>

## 36. Earnings Per Share

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

Particulars	Units	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Profit attributable to equity shareholders	₹ in Lakh	(199.10)	(2,006.02)
Weighted average number of Equity Share for Basic EPS	In No.	74,58,638	15,918
Weighted average number of Equity Share for Diluted EPS		74,58,638	15,918
Nominal Value per Equity Share		5/-	10/-
Earning per Equity Share (Basic)		(2.67)	(12,602.35)
Earning per Equity Share (Diluted)		(2.67)	(12,602.35)

## 37. Leases:-

The Company has entered into operating lease arrangements for fixed assets and premises. The future minimum lease rental obligation under non-cancellable operating leases is as below:-

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Lease Rent Expenses recognized in the Profit and Loss Account of the current year	5,590.50	-
The total future minimum lease rent payable at the Balance Sheet date :		-
- For a period not later than one year	2,044.75	-
- For a period later than one year and not later than 5 years	6,818.46	-
- For a period later than five years	4,731.96	-

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

38. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1<sup>st</sup> July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard – 18 on Revenue and Schedule III of the Companies Act, 2013 unlike Excise Duty, levies like GST, VAT etc. are not part of revenue.

### 39. Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of Cash Flows

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Long term Borrowings</b>		
Opening Balance		
- Non Current	-	-
Preference Shares issued on account of Scheme of Arrangements (Refer Note No. 40)	630.00	-
<b>Changes in Fair Value</b>		
- Impact of Effective Rate of Interest	11.07	-
- Impact of fair value measurement	(220.54)	-
<b>Closing Balance</b>	<b>420.53</b>	-
<b>Short term Borrowings</b>		
Opening Balance		
- Current	-	-
Availed during the year/period	128.73	-
<b>Changes in Fair Value</b>		
Repaid During the year/period	-	-
<b>Closing Balance</b>	<b>128.73</b>	-
<b>Interest Expense</b>		
Interest Expense	69.24	-
<b>Changes in Fair Value</b>		
- Impact of Effective Rate of Interest	11.07	-
<b>Interest Expense as per Statement of Profit and Loss</b>	<b>80.31</b>	-

### 40. Composite Scheme of Arrangement:-

The Composite Scheme of Arrangement between 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 1<sup>st</sup> August, 2017 and e-Commerce Home Retail business of BSPL in to the Company with effect from 15<sup>th</sup> April, 2016 was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated 10<sup>th</sup> November, 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 8<sup>th</sup> December, 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. to the eligible shareholders of Bluerock eServices Private Limited as per the Scheme.

#### i. Purchase Consideration

Particulars	(₹ in Lakh)	
	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
<b>Total Purchase Consideration</b>	<b>1,231.66</b>	<b>630.00</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 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
<b>Net identifiable assets acquired</b>	<b>9,200.00</b>	<b>568.84</b>

### 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
<b>(Capital Reserve) / Goodwill</b>	<b>(7,968.34)</b>	<b>61.16</b>

### 41. Events occurring after the Balance Sheet date

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 4<sup>th</sup> April, 2018 the Trustee sold 17,061 equity shares for a total value of ₹ 35.47 Lakh. As per the certificate received from the Trustee, out of the total warrants issued towards disbursement of amount pertaining to fractional shares, ₹ 3.62 Lakh of the value is still pending to be claimed by the shareholders.

### 42. 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 :

There is no such party on which company has control over directly or indirectly.

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

(i)	<b>Investing parties</b>		Suhani Trading and Investment Consultants Private Limited
(ii)	<b>Person having control over investing party</b>		Shri Kishore Biyani
(iii)	<b>Enterprises over which Companies/individual have control/significant influence</b>	1.	Suhani Trading and Investment Consultants Private Limited
		2.	Future Retail Limited
		3.	Future Lifestyle Fashions Limited
		4.	Future Generali India Insurance Company Limited
		5.	Future Sharp Skills Limited
		6.	Future Supply Chain Solutions Limited
		7.	Future Enterprises Limited
		8.	Future Market Networks Limited

### C. Key Management Personnel :

Mr. Viraj Didwania (Chairman & Managing Director) (w.e.f 12<sup>th</sup> October, 2017)

Mr. Harish Parasuram (Chief Financial Officer) (w.e.f 1<sup>st</sup> November, 2017)

Ms. Smita Chowdhury (Company Secretary & Compliance Officer) (w.e.f 22<sup>nd</sup> August, 2017)



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 1. Transaction with Related Parties

(₹ in Lakh)

Nature of Transaction	Entity able to Exercise Significant Influence	Key Management Personnel / Relatives
Purchases	13,717.62 (-)	- -
Advertisement and Marketing Expenses	583.53 (-)	- -
Rent including Lease Rentals	1,585.42 (-)	- -
Other Expenses	35.68 (-)	- -
Insurance Premium	10.76 (-)	- -
Remuneration to Key Managerial Personnel	-	74.33 (-)
<b>Closing Balance as on 31st March, 2018</b>		
Security Deposit Receivable	10,184.66 (-)	- -
Trade Payables	11,924.21 (-)	- -

Note: Previous year figures are given in parenthesis.

### 2. Significant Related Party Transactions

- A. Purchase of Goods includes purchase from Future Retail Limited ₹ 12,260.75 lakh (2017: ₹ Nil) & Freight, C&F and Warehousing services includes payment to Future Supply Chain Solutions Limited ₹ 1,456.44 lakh (2017: ₹ Nil).
- B. Advertisement and Marketing expenses paid to Suhani Trading and Investment Consultants Private Limited ₹ 583.53 lakh (2017: ₹ Nil)
- C. Rent including Lease rentals includes amount paid/payable to Future Enterprises Limited ₹ 745.32 lakh (2017: ₹ Nil), Future Lifestyle Fashions Limited ₹ 746.49 (2017: ₹ Nil), Future Market Networks Limited ₹ 93.61 lakh (2017: ₹ Nil).
- D. Other Expenses includes amount paid/payable to Future Sharp Skills Limited ₹ 35.68 lakh (2017: ₹ Nil).
- E. Insurance Premium paid to Future Generali India Insurance Company Limited ₹ 10.76 lakh (2017: ₹ Nil).
- F. Managerial Remuneration includes Mr. Viraj Didwania ₹ 57.48 lakh (2017: ₹ Nil), Mr. Harish Parasuram ₹ 14.31 lakh (2017: ₹ Nil) and Ms. Smita Chowdhury ₹ 2.54 lakh (2017: ₹ Nil).
- G. Security Deposit receivable from Future Enterprises Limited, amounting to ₹ 10,184.66 lakh (2017: ₹ Nil).
- H. Trade Payables includes payable to Future Retail Limited of ₹ 7,506.87 lakh (2017: ₹ Nil), Future Supply Chains Solutions Limited of ₹ 3,672.02 lakh (2017: ₹ Nil) and Future Enterprises Limited of ₹ 745.32 lakh (2017: ₹ Nil).

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2018 (Contd.)

### 43. Payment to the Auditors

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
For Statutory Audit	22.00	0.05
For Limited Review	3.00	-
<b>Total</b>	<b>25.00</b>	<b>0.05</b>

### 44. 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**

Chartered Accountants  
Firm Registration No.: 107783W

**Vishal D. Shah**  
Partner  
Membership No.: 119303

Place : Mumbai  
Date : 28<sup>th</sup> May, 2018

**Viraj Didwania**  
Chairman & Managing Director  
DIN 02412474

**Pankaj Bhargava**  
Director  
DIN 02685275

**Harish Parasuram**  
Chief Financial Officer  
Membership No.: 109138

**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) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULE, 2014 AND FORMING PART OF THE BOARD REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

**Sr. No., Employee Name, Designation, Remuneration drawn in (₹)\*, Qualification, Age, Date of Joining in FRL\*\*(dd-mm-yyyy), Experience (in years), Last Employment**

1. Mr. Mahesh Shah, Chief Executive Officer, ₹ 74,12,830, MMS from SP Jain, 50, 14-06-2013, 25, Sigma Soft Tech Park Whitefield;
2. Mr. Viraj Didwania, Chairman & Managing Director, ₹ 57,48,250, Dual majors in Commerce from the Business School and Economics from the University of Virginia, 36, 01-11-2017, 14, Morgan Stanley;
3. Mr. Venugopal B, Head – Operations, 21,72,364, MBA from Annamalai University, 49, 23-05-2013, 26, Spacewood Furnishers Pvt. Ltd.;
4. Mr. Armando Eduarte, Senior Manager, ₹ 15,03,252, Computer Science from AMA, 42, 11-09-2013, 23, Danude Buildmart;
5. Mr. Harish Parasuram, Chief Financial Officer, ₹ 14,29,567, Chartered Accountant, 40, 18-07-2017, 18, UIB Insurance Broker Pvt Ltd.;
6. Ms. Medha Tawde #, Chief Marketing Officer, ₹ 14,08,849, Strategic Marketing from IIM, 45, 14-11-2017, 10, Burger King India;
7. Mr. Chinmay Bhatt, Chief - Category – Homeware, ₹ 14,08,049, MBA from NL Dalmia, 39, 30-06-2014, 14, Sahara Q shop;
8. Mr. Soumyajit Banerjee, Deputy General Manager, ₹ 10,39,920, B.com from Calcutta University, 47, 09-08-2014, 25, Spacewood Furnishers Pvt. Ltd.;
9. Mr. Priyank Garg, Senior Manager, ₹ 9,60,225, BBA, 34, 16-08-2017, 13, GAP India & The Children Place (TCP), a div. of Arvind Lifestyle Brands;
10. Mr. Ramkumar Venkateswaran, Senior Manager - Training & Development, ₹ 9,54,195, B.Sc. in Computers, 40, 05-01-2015, 14, Café Coffee Day.

**Notes :**

1. \* The remuneration is for the period 1st November, 2017 to 31<sup>st</sup> March, 2018.
2. \*\* 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 1<sup>st</sup> Appointed Date i.e. 1<sup>st</sup> August, 2017 for FRL and 2<sup>nd</sup> Appointed Date i.e. 15<sup>th</sup> April, 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. 1<sup>st</sup> November, 2017.
3. # has joined on 14<sup>th</sup> November, 2017
4. Nature of employment is permanent and terminable by Notice on either side.
5. The above employees are not related to any Director of the Company.
6. No employee holds by himself / herself or along with spouse and dependent children 2% or more of the equity shares of the Company.
7. Terms and conditions of employment are as per Company’s Rules.
8. Remuneration drawn as shown in the statement includes Salary, House Rent Allowance, employer’s contribution to Provident Fund, and perquisites / allowances as applicable.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : 28<sup>th</sup> May, 2018

**Viraj Didwania**  
Chairman & Managing Director





**Registered & Corporate 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](http://www.praxisretail.in)  
CIN: U52100MH2011PLC212866

---

**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 of this Annual Report.