

Independent Auditor's Limited Review Report on Unaudited financial results of Praxis Home Retail Limited for the quarter and nine months ended December 31, 2025, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended)

To the Board of Directors of Praxis Home Retail Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Praxis Home Retail Limited** ('the Company') for the quarter and nine months ended December 31, 2025 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. Basis for Disclaimer of Conclusion

- a) As stated in Note no. 7 of the Statement of the Company, it has security deposit receivable towards matured lease agreement from a related party of an amount of Rs. 10,100.00 lakhs. The Company has not identified & recognized loss allowance for expected credit losses (ECL) on such other receivables, which is not in conformity with the requirements of Ind AS 109 "Financial Instruments". Further, we are informed by the management that till date the Company has not received any appropriate / adequate response from the lessor towards refunding such amount. Considering these facts and the available financial position / statement of such related party where there is an indication about material uncertainty towards its ability to continue as going concern and where an Resolution Professional (RP) has been appointed by Hon'ble National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016 and other relevant surrounding circumstances, we are unable to determine and quantify whether this amount will be fully recoverable and it requires any provision of ECL.



Further, on January 9, 2025 the RP of Future Enterprises Limited (FEL) has filed an Interlocutory Application (IA) in Company Petition (IB), before the National Company Law Tribunal, Mumbai Bench against, amongst others, the Promoter of the Company and the Company. Under the said IA, the RP has, inter alia, claimed lease rental amounting to Rs.4,577.35 lakhs from the Company for the in-store retail infra-assets leased by FEL to the Company. The Company does not consider the said demand to be tenable and is taking appropriate steps to defend its position before the Hon'ble NCLT.

These facts also give rise to material uncertainty as regards possible material adjustments that may be required to be made to the values of recorded security deposit, provision for lease rental on in-store retail infra-assets, unrecorded assets and tax implications, if any, arising on account of settlement of such transactions, which could not be recorded in the Statement on account of these being not readily ascertainable. Pursuant to non-receipt of response from the lessor towards refunding the specified amount and non-determination of the ECL provision, availability of balance confirmation and non-provision for lease rental, its impact on the profit and earning per share of the Company for the quarter and nine months ended December 31, 2025 and on the other equity as on the balance sheet date, is not ascertainable. This matter related to expected credit losses on security deposit and provision for lease rental on in store retail infra-assets were also disclaimed in our report on the financial statement for the year ended March 31, 2025.

- b) As explained in Note no.19, trade payables balance of Rs 1,116.69 lakhs are subject to balance confirmations and reconciliation. This matter was also disclaimed in our report on the financial statements for the year ended March 31, 2025.
- c) As stated in Note no. 8 of the Statement, the Company has not recognised any provision for impairment in respect of Right-of-Use (ROU) assets having a carrying value of Rs 12,742.59 lakhs as at December 31, 2025. The Company has incurred cash losses during the quarter and nine months ended and in the previous financial year, and a significant number of its stores continue to incur operating losses. These conditions indicate the existence of potential impairment indicators in respect of the ROU assets. However, the management has not carried out any impairment assessment for these assets as required under Ind AS 36 Impairment of Assets. Accordingly, we are unable to comment on the possible effects, if any, of such impairment on the loss and earnings per share for the quarter and nine months ended December 31, 2025, and on the carrying value of ROU assets and other equity as at that date. This matter was also reported in our audit report on the financial statements for the year ended March 31, 2025.



- d) We draw attention to Note no. 5 of the Statement, which describes that during the nine months ended December 31, 2025, the Company has incurred a cash loss of Rs.1,211.62 lakhs. The Company has also received notice for application under the Insolvency and Bankruptcy Code 2016 from one of the operational creditors. Although the Company's net worth has turned positive and its current assets now exceed its current liabilities as at December 31, 2025, this improvement primarily arises from the waiver of Inter-Corporate Deposits (ICDs) and related accrued interest by related parties and other, and not from the operating performance of the Company. These factors, together with the continuing operating losses, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. In view of these circumstances, we were unable to obtain sufficient appropriate audit evidence to determine whether the Company will be able to realise its assets and discharge its liabilities as and when they fall due in the normal course of business. Accordingly, we are unable to comment on the Company's ability to continue as a going concern. This matter was also disclaimed in our report on the financial statements for the year ended March 31, 2025.

5. Disclaimer of Conclusion

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

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E



Ravi Kapoor

Partner

Membership No. 040404

UDIN: 26040404TUUFFY1016



Place: Mumbai

Date: January 30, 2026

Praxis Home Retail Limited

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Statement of Financial Results for the Quarter and Period Ended December 31, 2025

(₹ in Lakhs)

Sr. No	Particulars	Quarter ended			Period ended		Year ended
		31.12.2025	30.09.2025	31.12.2024	31.12.2025	31.12.2024	31.03.2025
		(Unaudited)*	(Unaudited)	(Unaudited)*	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a) Revenue from Operations	2,620.05	2,121.71	3,395.92	7,092.15	9,176.88	11,896.96
	b) Other Income	416.46	123.90	2.81	732.40	3,887.81	3,914.69
	Total Income	3,036.51	2,245.61	3,398.73	7,824.54	13,064.69	15,811.65
2	Expenses						
	a) Purchase of Stock in trade	666.80	1,719.46	1,551.86	3,022.52	3,544.30	4,932.85
	b) (Increase)/Decrease in Inventories of Stock in trade	801.74	(572.66)	402.80	1,162.36	1,668.08	2,020.98
	c) Employee Benefits Expenses (Refer Note 9)	472.65	457.72	566.69	1,451.58	2,202.07	2,663.01
	d) Finance Costs	557.43	486.91	193.07	1,534.62	1,331.81	1,671.54
	e) Depreciation and Amortisation expenses	552.69	518.43	693.80	1,633.07	2,062.68	2,745.48
	f) Other Expenses (Refer Note 4)	1,574.30	1,071.49	823.67	3,692.04	4,314.75	5,275.64
	Total Expenses	4,625.61	3,681.35	4,231.89	12,496.19	15,123.69	19,309.50
3	Profit / (Loss) before Exceptional Items and Tax (1-2)	(1,589.10)	(1,435.74)	(833.16)	(4,671.64)	(2,059.00)	(3,497.85)
4	Exceptional Items (Refer Note 3)	-	9,540.00	-	9,540.00	-	-
5	Profit / (Loss) before Tax and after Exceptional Items	(1,589.10)	8,104.26	(833.16)	4,868.36	(2,059.00)	(3,497.85)
6	Tax Expense						
	a) Current Tax	-	-	-	-	-	-
	b) Deferred Tax Liability / (Asset)	-	-	-	-	-	-
7	Profit/(Loss) for the period/year (5-6)	(1,589.10)	8,104.26	(833.16)	4,868.36	(2,059.00)	(3,497.85)
	Other Comprehensive Income/(Loss)						
	Items that will not be reclassified to Profit & Loss						
	(a) Remeasurements of Defined benefit plans	3.28	-	-	3.28	-	(55.57)
	(b) Income Tax relating to above	-	-	-	-	-	-
8	Other Comprehensive Income/(Loss) for the period/year	3.28	-	-	3.28	-	(55.57)
9	Total Comprehensive Income/(Loss) for the period/year (7+8)	(1,585.82)	8,104.26	(833.16)	4,871.64	(2,059.00)	(3,553.42)
10	Paid up Equity Share Capital (Face Value ₹ 5/- per share)	9,290.61	9,245.53	6,760.91	9,290.61	6,760.91	6,760.91
11	Other Equity						(12,909.56)
12	Earnings per Equity Share (Face value of ₹ 5/- each)						
	Basic EPS in ₹ (not annualized for Quarter & Period ended Refer Note 16)	(0.86)	5.24	(0.64)	3.07	(1.64)	(2.74)
	Diluted EPS in ₹ (not annualized for Quarter & Period ended Refer Note 17)	(0.86)	5.24	(0.64)	3.07	(1.64)	(2.74)
* Refer Note 22							



Notes:-

- The above financial results have been prepared in accordance with recognition and measurement principles of the Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. Further, these financial results also have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- The Company's business activity falls within a single primary business segment of "retail" and there are no separate reportable segments as per Ind AS 108 "Operating Segments". Company's operations are only confined in India.
- Exceptional item for the period ended December 31, 2025 comprises of the waiver of inter-corporate deposits (including principal and accrued interest) aggregating to ₹ 9,540.00 lakhs comprising ₹ 8,527.61 lakhs towards principal and ₹ 278.97 lakhs towards accrued interest extended by six related parties to the Company and ₹ 678.00 lakhs towards principal and ₹ 55.42 lakhs towards accrued interest extended by a non related party.
- Other Expenses for the quarter/period ended December 31, 2025 comprises one-time expenses : additional provision for shrinkage in inventory of ₹ 306.49 lakhs and unutilized advance written off of ₹ 390.00 lakhs.
- The Company has incurred a cash loss of ₹ 1211.62 lakhs for the period ended December 31, 2025. The Company has raised funds via Right issue amounting to ₹ 4,958.00 lakhs (as referred in Note 16) & waiver of ICD and accrued interest (as referred in Note 3) which has improved the liquidity & networth position. Further, the Company has increased its operational efficiency by improvement in sales and reduction in operational cost. The Company is exploring various possible options to raise the funds which would bring financial stability enabling the Company to meet all obligations. Accordingly, the financial results of the Company have been prepared on a going concern basis.
- 9% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each ("NCRPs") aggregating to ₹ 630 lakhs held by Future Enterprises Limited ("FEL") were due for redemption on December 8, 2022. As per the provisions of Section 55 of the Companies Act, 2013, read with the relevant rules made thereunder, preference shares can be redeemed only out of (i) profits available for distribution as dividend in terms of Section 123 of the said Act, or (ii) the proceeds of a fresh issue of shares made specifically for the purpose of such redemption. Although the Company has earned profits, such profits are not in terms of Section 123 of the Companies Act, 2013. Further, the Company has not made any fresh issue of shares for the purpose of redemption. Accordingly, the NCRPs could not be redeemed on their due date/ as on date and continue to be disclosed as unredeemed preference share capital in the financial statements of the Company until their redemption.
- a) During the year ended March 31, 2023, tenure of a lease rental agreement entered by the Company with a related party - Future Enterprises Limited (Lessor) pursuant to the demerger of business and assignment of the original lease arrangement expired on November 30, 2022. The Company has security deposits of ₹ 10,100 lakhs receivable from the Lessor. The Company continues to hold the possession of in-store retail infra-assets from the Lessor. The Company has made follow up with the Lessor for transfer of in-store retail infra-assets and recovery of security deposit amount. In the year 2023, the Company obtained a valuation report from an independent professional firm under which the value of these assets were more than the amount of security deposit. The Company has considered the security deposits amount is good and adequately receivable against realizable value of these assets. Further, no lease rental charges are liable to be paid in view of expiration of the agreement with the Lessor. Accordingly, no provision towards lease rental has been provided in the books of accounts. Further it may also be mentioned that post expiry of lease term the Lessor has been referred under Corporate Insolvency Resolution Process with effect from February 27, 2023.
b) The Resolution Professional ("RP") of the said Lessor has filed an Interlocutory Application (IA) in Company Petition (IB) No.513/NCLT/MB/2022 on January 9, 2025, before the National Company Law Tribunal, Mumbai bench (NCLT) under the IBC, 2016 against, amongst others, the Promoter of the Company and the Company. In the said IA, the RP has, inter alia, claimed the lease rental amounting to ₹ 4,577.35 lakhs from the Company for the in-store retail infra-assets leased by the Lessor to the Company. The said IA is challenged on the grounds that the RP has relied upon the unauthenticated, unsigned and incomplete Transaction Audit report (TAR). The Company has filed limited affidavit challenging the maintainability of the Application on the preliminary ground that the draft TAR which forms the sole basis of the Application, is undated, unsigned and therefore, incomplete, defective, and wholly unreliable. Till the time the claim is not substantiated, it is considered as contingent liability. The advocate for the RP submitted that they have filed Additional Affidavit to place on record the final TAR. However, the same is yet to be served upon the Company. The matter is pending for hearing.
c) On the above matter, the statutory auditors had modified their audit opinion in their previous year's audit report. This matter is still pending for disposal by NCLT. The Company shall continue to take appropriate steps as per legal advise.
- During the Quarter and Period ended/ Previous year, the performance of the Company was affected due to shortage of inventory and liquidity. Most of the stores of the Company were running into losses, which may trigger the requirement for providing impairment on Right of Use (ROU) Assets of ₹ 12,742.59 lakhs. The Company for the period ended December 31, 2025 has raised funds amounting to ₹ 4,958.00 lakhs through Right Issue (as referred in Note 16) and availed loan of ₹ 2,000.00 Lakhs from NBFC and the management is confident that the liquidity will improve in future. Hence, it envisages that any impairment on ROU in the current period may not be needed.
- The Government of India has notified four new Labour Codes effective November 21, 2025, supported by draft Central Rules and FAQs. As the revised wage definition qualifies as a plan amendment under Ind AS 19, the Company has immediately recognized past service cost, resulting in an incremental employee benefit liability of Rs. 35.87 lakhs for the quarter and nine months ended December 31, 2025. The Company will continue to monitor Labour Code developments upon notification of the rules, corresponding State level regulations and further clarification / guidance in the matter and assess any further impact on employee benefit liabilities.
- Resolution Professional (RP) of Future Lifestyle Fashions Limited ("FLFL") has filed an Interlocutory Application against the Promoter and the Company ("Respondents") before Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), praying to treat the transactions carried out by the erstwhile directors of FLFL as fraudulent transactions in accordance with Section 66 of the IBC and directing the Respondents to pay the amount due to FLFL to the tune of ₹ 2,321 lakhs along with interest. The Company has denied all claims and filed its reply. Till the time the claim is not substantiated, it is considered as contingent liability. The Company has filed an application to dismiss original IA. RP has filed reply and the Company has filed a rejoinder in the same. The matter is pending for arguments.
- The Promoter of the Company, vide the request letter dated June 09, 2025, sought reclassification of shareholding from the "Promoter" category to the "Public" category along with the persons and entities acting in concert with Promoter. This request was subsequently confirmed by the resolution professional of Future Corporate Resources Private Limited through the letter dated July 11, 2025. The Board of Directors of the Company approved the said reclassification on July 14, 2025, in accordance with the provisions of Regulation 31A of the SEBI Listing Regulations, which governs the conditions and process for reclassification of promoters as public shareholders. Approval of the stock exchanges in respect of the said reclassification is currently awaited, and the Company is in the process of collating and submitting the requisite documents to the stock exchanges at the earliest.
- Due to the allotment of equity shares pursuant to convertible shares warrants, the shareholding to the promoter and promoter group diluted from 7.26% as on 30th September 30, 2025 to 7.23% as on 31st December 31, 2025
- M/s. Koncepts Interior (Operational Creditor) had filed an application before the Hon'ble NCLT, Mumbai Bench, initiating insolvency proceedings against the Company for an alleged claim of ₹ 107 Lakhs. The arguments in the matter were concluded and the case was reserved for orders. However, subsequently, the Bench was reconstituted/changed. Thereafter, in September 2025, the Operational Creditor filed a fresh Interlocutory Application (IA) seeking listing of the matter for further hearing and is pending for listing.



- 14 Resolution Professional named Aegis Resolution Services Private Limited of Ojas Tradelease and Mall Management Private Limited filed Interlocutory Application on November 10, 2025 against Praxis Home Retail Limited & Ors. before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). A Lease Deed dated March 23, 2022 was executed between Ojas Tradelease and Mall Management Private Limited ("Lessor") and the Company ("Lessee"), providing for a monthly rent being the higher of ₹ 2 Lakhs or 4% of the revenue share, with a lock-in period of 21 years. The Resolution Professional has prayed before the NCLT to declare the said lease as onerous and detrimental to the interests of the Corporate Debtor and its creditors and has further directed the Company and other respondents to contribute to the assets of the Corporate Debtor towards the alleged losses and damages amounting to ₹ 1,955 Lakhs, along with applicable interest. The NCLT has directed the Company and other respondents to file final submissions, which is subsequently filed by the all the parties. The matter is now reserved for orders.
- 15 During the quarter, the Company received an order from the Principal Bench of the Goods and Services Tax Appellate Tribunal ('GSTAT'). Pursuant to the issuance of the DGAP Report dated 29.03.2023, the Company filed its written submissions on 17.12.2025, followed by supplementary submissions on 05.01.2026. During the course of the last hearing held on 07.01.2026, the DGAP acknowledged receipt of the Company's written submissions, and sought time to examine the supplementary submissions filed by the Company. The matter is presently pending for final hearing.
- 16 The Company, vide its Letter of Offer dated July 30, 2025, offered 4,95,80,000 equity shares by way of a rights issue at a face value of ₹ 5 each for a price of ₹ 10 per equity share (including a premium of ₹ 5 per equity share) in the ratio of 11 Rights Equity shares for every 30 Fully paid up Equity shares to all eligible equity shareholders. The issue opened on August 7, 2025, and closed on August 18, 2025. Pursuant to the basis of allotment approved by the Committee of Directors of the Board on August 26, 2025, the Company allotted 4,95,80,000 equity shares of ₹ 5 each, aggregating to ₹ 4,958.00 lakhs, including securities premium of ₹ 2,479.00 lakhs. As on December 31, 2025, the net proceeds of ₹ 3,678.13 lakhs have been utilised towards the stated objectives of repayment of outstanding trade payables and for general corporate purposes. Pursuant to the right issue of equity shares during the current quarter, the earnings per share for the comparative periods have been restated to give effect to the bonus/rights element in accordance with Ind AS 33 – Earnings per Share.
- 17 The effect of the weighted average number of potential equity share on account of ESOP's is anti-dilutive in nature for the quarter and period ended December 31, 2025, the same is not considered in the calculation of weighted average number of equity shares for the diluted EPS.
- 18 The Company on May 9, 2024, had allotted 45,07,629 share warrants on a preferential basis at an issue price of ₹ 43.26 per warrant (including a premium of ₹ 38.26 per equity share) against which 9,01,526 warrants were exercised and converted into an equivalent number of fully paid-up equity shares of ₹ 5 each on November 10, 2025, while the balance 36,06,103 warrants held by Bennett, Coleman & Co. Limited remained unexercised, lapsed and stood forfeited.
- 19 The Company has undertaken reconciliation of vendor balances during the period. The Company has reconciled vendor balances and obtained confirmations for ₹ 5,846.54 lakhs from a total outstanding of ₹ 6,963.23 lakhs, out of which ₹ 1,116.69 lakhs remain to be reconciled.
- 20 During the period ended December 31, 2025, the Company did not have any holding, subsidiary or associate company.
- 21 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period/year.
- 22 The figures for the third quarter in each of the financial year are the balancing figures between figures in respect of the period end and the year-to-date figures upto the end of the second quarter of the respective financial year.
- 23 Mr. Ravi Venkatraman (DIN: 00307328) is appointed as an additional Independent Director w.e.f December 30, 2025.
- 24 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on January 30, 2026.
- 25 The financial results will be available on the website of the Company - "www.praxisretail.in" and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

Place : Mumbai
Date : January 30, 2026

Ashish Bhutda
Chief Executive Officer and Whole Time Director (DIN:10810844)

Ashish Bhutda

