Walker Chandiok & Co LLP
Chartered Accountants
16th floor, Tower II,
One International Center,
S B Marg, Prabhadevi (W),
Mumbai – 400013
Maharashtra, India

Kedia & Agrawal
Chartered Accountants
Office S13, Ground Floor, Kailash
Satyanandji Maharaj Marg,
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Thane - 401101
Maharashtra, India

Independent Auditor's Report

To the Members of Purple Style Labs Limited
(Formerly known as Purple Style Labs Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Purple Style Labs Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated loss, and consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 11 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

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Mumbai
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140989W
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Information other than the Consolidated Financial Statements and Auditor's Report thereon

4. The Holding Company's Board of Directors are responsible for the other information. Other information does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

9. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

   - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

   - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

   - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

11. We did not audit the financial statements of one (1) subsidiary, whose financial statements (before eliminating inter-company transactions and balances) reflects total assets of INR 1,091.55 lakhs as at 31 March 2024, total revenues of INR 1,121.16 lakhs and net cash inflows amounting to INR 48.18 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

    Further, this subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary located outside India, is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act based on our audit, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the subsidiary incorporated in India whose financial statements have been audited under the Act, has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of the subsidiary.

13. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us for the Holding Company and the subsidiary covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

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14. As required by section 143(3) of the Act based on our audit and on the consideration of the report of the other auditor on separate financial statements of the subsidiary as referred in paragraph 11 above, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor, except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;

e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary and taken on record by the Board of Directors of the Holding Company and its subsidiary, covered under the Act, none of the directors of the Group companies are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

f) The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 14(b) above on reporting under section 143(3)(b) of the Act and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

h) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report on separate financial statements of the subsidiary incorporated in India whose financial statements have been audited under the Act:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 39(ii) to the consolidated financial statements;

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ii. The Holding Company and its subsidiary, covered under the Act did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary covered under the Act during the year ended 31 March 2024;

iv.

a. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief as disclosed in Note 42(viii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 42(viii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company and its subsidiary have not declared or paid any dividend during the year ended 31 March 2024;

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vi. As stated in Note 41 to the consolidated financial statements and based on our examination which included test checks, except for instances mentioned below, the Holding Company and its subsidiary which are companies incorporated in India and audited under the Act, in respect of financial year commencing on 1 April 2023, have used certain accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below:

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature for accounting software used for maintenance of accounting records could not sufficiently demonstrate whether the audit trail (edit log) facility was enabled and operated throughout the year by the Holding Company and its subsidiary. The audit trail feature was not enabled at the database level to log any direct data changes, used for maintenance of sales, purchases and inventory records by the Holding Company and its subsidiary.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 24109632BKFBMS5484

Place: Mumbai
Date: 27 September 2024

For **Kedia & Agrawal**
Chartered Accountants
Firm's Registration No.: 140989W

Sunil Kumar Kedia
Partner
Membership No.: 427613

UDIN: 24427613BKCQEF9401

Place: Mumbai
Date: 27 September 2024

Annexure I referred to in Paragraph 1 of the Independent Auditor's Report of even date to the members of Purple Style Labs Limited on the consolidated financial statements for the year ended 31 March 2024

List of entities included in the consolidated financial statements

Holding Company:

1) Purple Style Labs Limited, India

Wholly Owned Subsidiary Companies:

1) PSL Retail Private Limited, India
2) Purple Style Labs UK Limited, United Kingdom

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

KEDIA & AGRAWAL Mumbai F.R.N. 140989W CHARTERED ACCOUNTANTS

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of **Purple Style Labs Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 the Company's business, including adherence to the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company as aforesaid.

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Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 24109632BKFBMS5484

Place: Mumbai
Date: 27 September 2024

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

For **Kedia & Agrawal**
Chartered Accountants
Firm's Registration No.: 140989W

Sunil Kumar Kedia
Partner
Membership No.: 427613

UDIN: 24427613BKCQEF9401

Place: Mumbai
Date: 27 September 2024

KEDIA & AGRAWAL Mumbai F.R.N. 140989W CHARTERED ACCOUNTANTS

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Balance Sheet as at 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	203.22	135.52
Reserves and surplus	4	5,047.73	6,725.65
Total shareholders' funds		5,250.95	6,861.17
Non-current liabilities			
Long term borrowings	5	100.87	1.95
Long term provisions	6	560.61	293.96
Total non-current liabilities		661.48	295.91
Current liabilities			
Short term borrowings	7	11,463.90	4,644.27
Trade payables			
- Total outstanding dues to micro and small enterprises	8	533.54	267.03
- Total outstanding dues to creditors other than micro and small enterprises	8	6,200.33	4,025.89
Other current liabilities	9	4,224.78	5,839.38
Short term provisions	10	136.32	162.36
Total current liabilities		22,558.87	14,938.93
Total liabilities		23,220.35	15,234.84
Total equity and liabilities		28,471.30	22,096.01
ASSETS			
Non-current assets			
Property, plant and equipment and intangible assets			
- Property, plant and equipment	11	3,513.28	2,378.34
- Intangible assets	11.1	252.84	937.79
Capital work in progress	11.2	81.24	-
Deferred tax assets (net)	12	-	-
Non-current investments	13	105.32	-
Long term loans and advances	14	382.82	1,260.78
Other non-current assets	15	3,480.80	2,433.04
Total non-current assets		7,816.30	7,009.95
Current Assets			
Inventories	16	14,040.13	8,710.51
Trade receivables	17	271.50	217.94
Cash and bank balances	18	319.13	756.94
Short term loans and advances	19	5,462.19	4,871.65
Other current assets	20	562.05	529.02
Total current assets		20,655.00	15,086.06
Total assets		28,471.30	22,096.01

The accompanying notes form an integral part of these consolidated financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 27 September 2024

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For **Kedia & Agrawal**
Chartered Accountants
Firm Registration No. 140989W

Sunil Kumar Kedia
Partner
Membership No: 427613

Place: Mumbai
Date: 27 September 2024

KEDIA & AGRAWAL
Mumbai
F.R.N. 140989W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

For Purple Style Labs Limited

Abhishek Binod Agarwal
Director
DIN : 07237807

Place: Mumbai
Date: 27 September 2024

Abhinav Agarwal Director
Director
DIN : 07178846

Place: Mumbai
Date: 27 September 2024

PURPLE STYLE LABS LIMITED
MUMBAI

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue			
Revenue from operations	21	50,775.96	37,238.05
Other income	22	171.47	83.12
Total income		**50,947.43**	**37,321.17**
Expenses			
Cost of materials consumed	23	323.01	644.94
Purchases of stock-in-trade	24	34,748.03	26,781.91
Changes in inventories of finished goods, work in progress and stock-in-trade	25	(5,321.16)	(6,003.56)
Employee benefits expense	26	5,891.07	4,426.12
Finance costs	27	1,711.99	942.74
Depreciation and amortisation expense	28	1,095.11	490.17
Other expenses	29	17,067.66	14,907.69
Total expenses		**55,515.71**	**42,190.01**
Loss before exceptional item and tax		**(4,568.28)**	**(4,868.84)**
Exceptional item	30	-	1,064.72
Loss before tax		**(4,568.28)**	**(3,804.12)**
Tax expense			
Current tax		-	-
Deferred tax	12	-	-
Total tax expense		-	-
Net loss for the year		**(4,568.28)**	**(3,804.12)**
Loss per equity share of face value ₹ 10 each			
Basic and diluted (in ₹)	31	(15,770.09)	(13,713.43)

The accompanying notes are an integral part of these consolidated financial statements
This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No: 109632

Place : Mumbai

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For **Kedia & Agrawal**
Chartered Accountants
Firm Registration No. 140989W

Sunil Kumar Kedia
Partner
Membership No: 427613

Place : Mumbai
Date: 27 September 2024

KEDIA & AGRAWAL
Mumbai
F.R.N.
140989W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

For Purple Style Labs Limited

Director

Abhishek Binod Agarwal
Director
DIN : 07237807

Place: Mumbai

Abhinav Agarwal
Director
DIN : 07178846

Place: Mumbai

PURPLE STYLE LABS LIMITED
MUMBAI

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Statement of Cash Flow for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Loss before tax	(4,568.28)	(3,804.12)
Adjustments for :		
Depreciation and amortisation expenses	1,095.11	490.17
Interest income on fixed deposits	(0.64)	(1.45)
Provision for inventory obsolescence / slow moving	927.61	236.29
Loss on sale of property, plant and equipment (net)	0.89	-
Gain from sale of investment	-	(56.09)
Bad debts written off	33.08	-
Interest and other borrowing costs	1,711.45	847.78
Expense / (reversal) of share based payment cost	-	(1,064.72)
Unrealised foreign exchange gain (net)	(82.74)	(16.61)
Impairment provision on investments	-	65.00
Operating losses before working capital changes	**(883.52)**	**(3,303.75)**
Adjustments for :		
(Increase) / Decrease in inventories	(6,257.23)	(6,249.49)
(Increase) / Decrease in trade receivables	(86.64)	585.58
(Increase) / Decrease in non current assets	(1,047.76)	(1,078.16)
Increase / (Decrease) in trade payables	2,440.95	1,103.47
Increase / (Decrease) in trade provisions	240.61	392.98
Increase / (Decrease) in other current liabilities	(1,736.97)	3,695.96
(Increase) / Decrease in loans and advances	306.58	(2,324.68)
(Increase) / Decrease in other current assets	(22.94)	(176.90)
Operating losses after working capital changes	**(7,046.92)**	**(7,354.99)**
Taxes paid (net of refund)	(19.16)	(47.30)
Net cash used in operating activities (A)	**(7,066.08)**	**(7,402.29)**
Cash flow from investing activities		
Purchase of property, plant and equipment including movement in capital work in progress and capital creditors	(1,546.74)	(1,348.02)
Proceeds from sale of property, plant and equipment	0.60	-
Increase in fixed deposit	(10.00)	-
Proceeds from sale of investments	-	106.36
Purchase of shares	(105.32)	-
Interest received	0.55	1.45
Net cash used in investing activities (B)	**(1,660.91)**	**(1,240.21)**
Cash flow from financing activities		
Proceeds from share issued including premium collected	3,046.50	6,259.01
Proceeds from long term borrowings	11,410.00	-
Repayment of long term borrowings	(5,554.27)	-
Proceeds from short term borrowings	3,917.00	8,786.51
Repayment of short term borrowings	(2,854.18)	(6,511.03)
Share issue expenses	(5.70)	-
Interest and other borrowing costs	(1,670.17)	(850.06)
Net cash generated from financing activities (C)	**8,289.18**	**7,684.43**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(437.81)**	**(958.07)**
Cash and cash equivalents at the beginning of the year	756.94	1,715.01
Cash and cash equivalents at the end of the year	**319.13**	**756.94**
Cash and cash equivalents comprise of :		
Cash on hand	68.80	50.34
Balances with banks		
- in current accounts	250.33	706.60
	319.13	**756.94**

Note:
The above Cash flow statement has been prepared under indirect method set out in Accounting Standard 3, "Cashflow Statement" notified under section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Rules, 2021.

This is the Consolidated Statement of Cash Flow referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 27 September 2024

For and on behalf of the Board of Directors

For Purple Style Labs Limited

Director

Abhishek Binod Agarwal
Director
DIN : 07237807

Place: Mumbai
Date: 27 September 2024

Abhinav Agarwal
Director
DIN : 07178846

Place: Mumbai
Date: 27 September 2024

For **Kedia & Agrawal**
Chartered Accountants
Firm Registration No. 140989W

Sunil Kumar Kedia
Partner
Membership No: 427613

Place: Mumbai
Date: 27 September 2024

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Notes to the consolidated financial statements as at and for the year ended 31 March 2024

1 Corporate Information

Purple Style Labs Limited ("Company" or "Holding Company"), formerly known as Purple Style Labs Private Limited, having CIN U18204MH2015PLC267215 is an unlisted public limited company incorporated and domiciled in India on August 06, 2015 having registered office at CTS No.1081, Plot No.110, TPS Village, Service Road, Western Express Highway, Vile Parle (East) Mumbai, Maharashtra - 400057. The Company's business is modeled around owning and operating apparel and lifestyle brands and providing a one stop solution to third party designer brands including by providing technical and other value added services. The Holding Company was converted from private limited company to a public company with effect from 13 December 2023.

The Holding Company has two wholly owned subsidiaries namely, PSL Retail Private Limited and Purple Style Labs UK Limited.

2 Significant accounting policies

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements ("financial statements") of the Holding Company have been prepared to comply in all material respects with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") (to the extent notified), read with the Companies (Accounting Standards) Rules, 2021 and other generally accepted accounting principles in India. The financial statements are prepared under the historical cost convention, on an accrual basis of accounting. The accounting policies applied are consistent with those used in the previous year. These financial statements have been prepared on a going concern basis and in accordance with amended Schedule III to the Act.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Group as per the guidance set out in Schedule III to the Act. Based on the nature of services and the time between acquisition of assets for processing and their realization in to cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of classification of assets and liabilities into current and non-current. The Group financial statements are reported in Indian Rupees in lakhs unless otherwise stated and except for share based information. Deferred tax asset and liability are classified as non-current in nature.

The consolidated financial statements comprise the standalone financial statements of Purple Style Labs Limited and its following wholly owned subsidiaries ("WOS") (the Holding Company and its subsidiaries together referred to as the "Group") :

Entities included for consolidation

Name of the Entity	Country of Incorporation	Holding Company's shareholding	Entity treated as
PSL Retail Private Limited	India	100%	WOS
Purple Style Labs UK Limited	United Kingdom	100%	WOS

2.2 Principles of Consolidation

The consolidated financial statements have been prepared on the following basis :

i) The financial statements of the Holding Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and elimination of unrealized profits. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

ii) Consolidated financial statements are prepared using uniform policies for like transaction and other events of similar circumstances and are presented, to the extent possible, in the same manner as a company's standalone financial statements.

iii) Notes to the consolidated financial statements represent notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in standalone financial statements of the subsidiary and/or a holding company having no bearing on the true and fair view of the consolidated financial statements has not been disclosed in the consolidated financial statements.

2.3 Use of estimates

The preparation of the consolidated financial statements, in conformity with generally accepted accounting principles, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting year. Key estimates include estimate of useful lives of Property, plant and equipment, income taxes and future obligations under employee retirement benefit plans. Although these estimates are based on the knowledge of current events and actions, actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

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2.4 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure for self-constructed assets incurred up to the date the asset is ready for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation of Property, plant and equipment

Depreciation on Property, plant and equipment is provided on straight line method considering the useful lives prescribed in Schedule II to the Act on a pro-rata basis; unless different lives is considered.

Depreciation for additions to/deductions from, Property, plant and equipment is calculated pro rata from/to the month of additions/deductions.

2.5 Intangible assets and amortization

Intangible assets are recognized only if they are separately identifiable and the Group expects to receive future economic benefits arising out of them. Such assets are stated at cost less accumulated amortization and impairment losses, if any.The Group has not considered the residual value i.e. 5% of cost for intangible assets while calculating the amortisation.

Asset category (intangible assets)	Useful life (in years)
Software	5 to 10 years
Goodwill	5 years (10 years upto 31 March 2023)

The intangible assets are amortized on a straight line basis over their expected useful lives which are expected to be the period of the license/subscription. The amortization period and the amortization method are reviewed at least at each financial year end if the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. The estimate regarding remaining useful life of goodwill has been revised based on annual review carried out by the management during the current financial year.

Capital work in progress comprises cost of Property, plant and equipment and directly related expenses, net of accumulated impairment losses, if any, that are not yet ready for their intended use at the reporting date.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing of funds.

2.8 Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises of purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Long term investments are stated at cost. Current investments are stated at lower of cost and fair value. Fair value of investments in mutual funds is determined on an individual investment basis.

2.9 Impairment of assets

The carrying amounts of Property, plant and equipments, investments and other assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.10 Foreign currency transactions

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Translation

Foreign currency denominated monetary items are translated into reporting currency at the closing rate of exchange prevailing at the date of the Balance Sheet. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

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(iii) Settlement

Gain/loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the interest cost.

(iv) Foreign currency translation reserve represents the unrealised gains and losses on account of translation of financial information of foreign subsidiary into ₹ (INR).

2.11 Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue is recognized to the extent it is probable that economic benefits will flow to the Group.

Sales are recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract which usually coinside with the delivery of goods and are recorded net of trade discounts, rebates and goods and service tax.

Revenue from the services provided is recognised as and when the service is completed and in accordance with the contractual obligation between the Group and its customers.

Interest and other income are accounted for on an accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Other items of income are recognised as and when due or received, whichever is earlier.

2.12 Inventories

Inventory comprises of raw materials, stock-in-trade, finished goods and work in progress. Raw materials are valued at lower of cost and net realisable value ("NRV") after providing for obsolescence, if any. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Work in progress, stock-in-trade and finished goods are valued at lower of cost and net realisable value after providing for obsolescence, if any.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Cost of inventories is determined on a historical cost basis.

NRV is the estimated selling price in ordinary course of business, less estimated costs necessary to make the sale.

2.13 Retirement and other employee benefits

a) Short term employee benefits are recognised as an expense at an actual amount in the Statement of Profit and Loss of the year in which the related service is rendered.

b) Provident fund is a defined contribution scheme and the Group has no further obligation beyond the contributions made to the fund. Contributions are charged to Statement of Profit and Loss in the year in which they accrue. The Group has categorised its Provident Fund, Employees State Insurance Scheme and Labour Welfare Fund as a defined contribution plan since it has no further obligations beyond these contributions.

c) Gratuity is a defined benefit obligation and is recorded based on actuarial valuation on projected unit credit method made at the end of the financial year. Under the gratuity plan, every employee who has completed at least five years of service or on death in course of employment gets a gratuity on their exit from the relevant Group company amounting to 15 days of their last drawn salary for each completed year of service. The gratuity linked liability and net periodic gratuity costs are actuarially determined after considering discount rates. All actuarial gain/losses are immediately recorded in the Statement of Profit and Loss and are not deferred.

2.14 Income taxes

Tax expense comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the entities forming part of Group operates. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

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Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Unrecognised deferred taxes are reviewed at each reporting date.

2.15 Provisions

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.16 Contingent liabilities

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, the existence of which would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

2.17 Leases

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under leases other than finance leases are classified as operating leases. The lease term is the noncancellable period for which the lessee has agreed to take on lease the asset together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise.

Assets taken on operating lease

The total lease rentals (including scheduled rental increases) in respect of assets taken on operating leases are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash on hand. The Group considers all highly liquid investments with an original maturity of three month or less from date of purchase, to be cash equivalents.

2.19 Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

2.20 Unforeseeable Losses

The entities in the Group have a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. As at the end of reporting periods, the Group did not have any long term contracts (including derivative contracts) for which there were any material foreseeable losses.

2.21 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.22 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in AS 17, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

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Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
3 Share capital				
Authorised share capital				
Equity shares of ₹ 10 each	100,000	10.00	100,000	10.00
0.001% Compulsorily Convertible Preference Shares ("CCPS") of ₹ 10 each	150,000	15.00	150,000	15.00
0.001% Class 1 Compulsorily Convertible Preference shares ("Class 1 CCPS") of ₹ 10,000 each (Refer note 1 below)	8,000	800.00	2,000	200.00
		825.00		225.00
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10 each	19,068	1.91	19,068	1.91
CCPS of ₹ 10 each	33,232	3.32	33,232	3.32
Class 1 CCPS of ₹ 10,000 each	1,970	197.00	1,293	129.30
Issued, subscribed and partly paid up shares				
Equity shares of ₹ 10 each paid upto ₹ 9 each (partly paid)	11,000	0.99	11,000	0.99
		203.22		135.52

a) Reconciliation of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 each				
Fully paid up				
Balance at the beginning of the year	19,068	1.91	16,496	1.65
Add : Issued during the year (alloted to employees eligible for ESOP) (Refer note 35)	-	-	1,692	0.17
Add : CCPS converted into equity during the year	-	-	880	0.09
Balance at the end of the year	**19,068**	**1.91**	**19,068**	**1.91**
Partly paid up				
Balance at the beginning of the year	11,000	0.99	11,000	0.99
Add: Issued during the year	-	-	-	-
Balance at the end of the year	**11,000**	**0.99**	**11,000**	**0.99**
CCPS of ₹ 10 each				
Fully paid up				
Balance at the beginning of the year	33,232	3.32	32,386	3.24
Add: Issued during the year	-	-	1,319	0.13
Less: Converted during the year into equity shares	-	-	(880)	(0.09)
Add: Transferred from partly paid to fully paid	-	-	407	0.04
Balance at the end of the year	**33,232**	**3.32**	**33,232**	**3.32**
Partly paid up				
Balance at the beginning of the year	-	-	407	0.04
Add: Issued during the year			-	-
Add: Called during the year*	-	-	-	0.00
Less: Transferred to fully paid up	-	-	(407)	(0.04)
Balance at the end of the year	-	-	-	-
* The amount is less than ₹500				
Class 1 CCPS of ₹ 10,000 each				
Fully paid up				
Balance at the beginning of the year	1,293	129.30	-	-
Add: Issued during the year (Refer note 2 below)	677	67.70	1,293	129.30
Balance at the end of the year	**1,970**	**197.00**	**1,293**	**129.30**

Note 1
During the year ended 31 March 2024, vide approval of the shareholders at their meeting held on 04 May 2023, the Holding Company has increased its authorised share capital for Class 1 CCPS of ₹ 10,000 each from ₹ 200.00 lakhs to ₹ 800.00 lakhs.

Note 2
During the year ended 31 March 2024, vide approval of the shareholders at their meeting held on 01 June 2023, the Holding Company has allotted 677 Class 1 CCPS of ₹ 10,000 each at a premium of ₹ 4.40 lakhs each.

b) Details of shares held by shareholders holding more than 5% shares in the Holding Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	%	Number	%
Equity share of ₹ 10 each				
Abhishek Binod Agarwal	20,457	68.04%	21,122	70.25%
Abhinav Agarwal	1,950	6.49%	2,005	6.67%
	22,407	**74.53%**	**23,127**	**76.92%**
CCPS of ₹ 10 each				
Jitender Kumar Bansal	2,395	7.21%	2,395	7.21%
Mukul Mahavir Agrawal	2,000	6.02%	2,000	6.02%
Volrado Venture Partners Fund II	2,000	6.02%	2,000	6.02%
	6,395	**19.24%**	**6,395**	**19.24%**
Class 1 CCPS of ₹ 10,000 each				
Singularity Growth Opportunities Fund I	500	25.38%	500	38.67%
Kalpraj Damji Dharamshi jointly with Hina Kalpraj Dharamshi	200	10.15%	200	15.47%
Ramrod Advisors LLP	100	5.08%	100	7.73%
VR Sikka Consulting Private Limited	80	4.06%	80	6.19%
Astarc Ventures Private Trust	70	3.55%	70	5.41%
KP Sanghvi Infrastructures LLP	100	5.08%	-	-
Signet Capital Private Limited	156	7.92%	-	-
Mrudula Sushilkumar Parekh	150	7.61%	-	-
	1,356	**68.83%**	**950**	**73.47%**

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(All amounts in ₹ lakhs, unless otherwise stated)

c) **Details of shares held by the promoter at the end of the year**

Particulars	Number of shares as at 31 March 2024	% of total shares as at 31 March 2024	% change during the year	Number of shares as at 31 March 2023	% of total shares as at 31 March 2023	% change during the previous year
Abhishek Binod Agarwal - Equity	20,457.00	0.68	-2.21%	21,122.00	0.70	-8.51%
Abhishek Binod Agarwal - CCPS	106.00	0.00	0.14%	61.00	0.00	-0.01%

d) **Rights, preferences and restrictions attached to shares**

Equity shares

The Holding Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. Any dividend (except interim dividend) proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive the remaining assets of the Holding Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

Each CCPS and Class 1 CCPS will automatically be converted into equity shares upon earlier of a period of 20 years from the date of allotment or completion of qualified public offering. The Shareholders shall be entitled to get the CCPS and Class 1 CCPS converted to equity shares by requesting the Holding Company at any time prior to above mentioned time. Each CCPS and Class 1 CCPS shall be converted into 1 equity share of the Holding Company or such other number of equity shares as per the terms of the shareholders agreement entered into between the Holding Company and its investors.

e) **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the**

The Holding Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buy back of shares in last five years.

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Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Notes to the consolidated financial statements as at and for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Particulars	As at 31 March 2024	As at 31 March 2023
4	**Reserves and surplus**		
	Deficit in the Statement of Profit and Loss		
	Opening balance	(17,708.81)	(13,904.69)
	Add: Net loss for the year	(4,568.28)	(3,804.12)
	Balance at the end of the year	**(22,277.09)**	**(17,708.81)**
	Employee stock option outstanding account		
	Balance at the beginning of the year	-	2,028.23
	Add: Compensation options granted during the year	-	-
	Less: Reversal of excess compensation expense (Refer note 30)	-	(1,064.72)
	Less :Transfer to securities premium on account of exercise of stock options.	-	(963.51)
	Balance at the end of the year	**-**	**-**
	Securities premium		
	Balance at the beginning of the year	24,533.04	17,440.12
	Add : Addition during the year on issue of CCPS	-	2,044.33
	Add : Addition during the year on call of partly paid CCPS	-	231.94
	Add : Addition during the year on issue of Class 1 CCPS	2,978.80	3,853.14
	Add : Addition during the year on issue of equity shares to employees via employee stock option scheme	-	963.51
	Less : Share issue expenses	(5.70)	-
	Balance at the end of the year	**27,506.14**	**24,533.04**
	Foreign currency translation reserve		
	Opening balance	(98.58)	(99.65)
	Add: Impact during the year	(82.74)	1.07
	Balance at the end of the year	**(181.32)**	**(98.58)**
	Total	**5,047.73**	**6,725.65**
5	**Long term borrowings**		
	Secured		
	From banks (Refer note 5.1)	1.95	2.95
	Non-convertible debentures (Refer note 5.2)	9,400.00	3,936.31
	Less: Current maturities included in short term borrowings	(9,401.08)	(3,937.31)
	Unsecured		
	Loans from companies (Refer note 7.1)	1,100.00	-
	Less: Current maturities included in short term borrowings	(1,000.00)	-
	Total	**100.87**	**1.95**

5.1 Nature of security and terms of repayment for secured borrowings

Details of and purpose of the loan	Amount outstanding as at 31 March 2024	Amount outstanding as at 31 March 2023	Security given	Rate of interest	Terms of repayment
Secured Loan					
HDFC Bank - Car Loan	1.95	2.95	The loan is secured by hypothecation charge over motor vehicle.	7.95% p.a.	60 Equated monthly instalments from the date of disbursement.

5.2 Nature of security and terms of repayment for secured borrowings

Details of the loan	Amount outstanding as at 31 March	Amount outstanding as at 31 March	Security given	Rate of interest (p.a.)	Terms of repayment*
Secured non-convertible debentures ("NCDs")					
Series A NCDs	-	412.50	The outstanding balance payable with respect to the NCDs are secured by way of pari passu first charge over the inventory of PSL Retail Private Limited.	10%	12 Equated monthly installments from the date of disbursement
Series B NCDs	-	580.81		16.5%	12 Equated monthly installments from the date of disbursement
Series C NCDs	-	1,040.00		15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity
Series D NCDs	-	1,573.00		15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity
Series E NCDs	80.00	330.00		15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity
Series F NCDs	1,590.00	-	The outstanding balance payable with respect to the NCDs secured by way of pari passu first charge over the movable assets of PSL Retail Private Limited including inventory, book debts, fixtures and furniture.	15%	a) Interest payable on a monthly basis b) Principal amount payable in 2 equal tranches
Series G NCDs	895.00	-		15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity
Series H NCDs	1,066.00	-		15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity

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MUMBAI

(All amounts in ₹ lakhs, unless otherwise stated)

Details of the loan	Amount outstanding as at 31 March	Amount outstanding as at 31 March	Security given	Rate of interest (p.a.)	Terms of repayment*
Series I NCDs	1,661.00	-	The outstanding balance payable with respect to the NCDs secured by way of pari passu first charge over the movable assets of PSL Retail Private Limited including inventory, book debts, fixtures and furniture.	15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity
Series J NCDs	1,453.00	-		15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity
Series K NCDs	2,655.00	-		15%	a) Interest payable on a monthly basis b) Principal amount payable on maturity
	9,400.00	3,936.31			

Note
*The tenure of all the above mentioned series of NCDs other than Series B NCDs is 370 days from the date of allotment. The tenure of Series B NCDs was 380 days from the date of allotment.
- The Holding Company has provided guarantee for Series F NCDs, Series G NCDs and Series H NCDs.
- Debenture Redemption Reserve is not required to be created as PSL Retail Private Limited does not have adequate profits.

		As at 31 March 2024	As at 31 March 2023
6	**Long term provision**		
	Provision for gratuity (Refer note 34)	174.16	102.19
	Provision for lease equalization	386.45	191.77
	Total	**560.61**	**293.96**
6.1	**Movement of lease equalization during the year**		
	Opening Balance	334.09	-
	Add: Rent expense booked during the year	4,517.54	3,483.48
	Less: Rent paid during the year	(4,367.35)	(3,149.39)
	Closing Balance (Aggregate of long term and short term provision)	**484.28**	**334.09**
7	**Short term borrowings**		
	Secured		
	- Current maturities of long term borrowings (Refer note 5)	1.08	1.00
	- Current maturities of non-convertible debentures (Refer note 5)	9,400.00	3,936.31
	Unsecured		
	- Current maturities of long term borrowings from other companies (Refer note 5)	1,000.00	-
	- from others companies (Refer note 7.1)	1,062.82	706.96
	Total	**11,463.90**	**4,644.27**

7.1 **Details of lenders and terms of repayment of unsecured borrowings**

Name of lenders	Amount outstanding as at 31 March 2024	Amount outstanding as at 31 March 2023	Security given	Rate of interest (p.a.)	Terms of repayment
Unsecured borrowings - Long term					
ICPA Health Products Limited	100.00	-	None	16.5%	a) Interest payable on a monthly basis except interest accrued till 30 November 2023 payable before 07 December 2023 b) Principal amount payable on 17 August 2025
Unsecured borrowings - Short term					
Growel Formulations Private Limited	1,000.00	600.00	None	16.5%	a) Interest payable on a monthly basis b) Principal amount payable on 31 March 2025
Amitex Trading Private Limited	60.00	-	None	15%	Interest and Principal amount payable on 31 October 2024
E-City Real Estates Private Limited	670.82	-	None*	15%	6 Equated monthly installments from the date of disbursement. This loan was repaid in full on 06 September 2024
P1 Infra Framework Private Limited	132.00	-	None	15%	Interest and Principal amount payable on 31 October 2024
Sudha Commercial Company Limited	200.00	-	None	16.5%	Interest and Principal amount payable on 31 October 2024
Stuti Pant	-	30.56	None	12.0%	Interest and Principal amount payable on 24 July 2023
Chandralekha Singh	-	76.40	None	10.0%	Interest and Principal amount payable on 25 August 2023
	2,062.82	706.96			

Note
PSL Retail Private Limited has obtained the borrowings in the form of NCDs and loans from other companies for general business purposes and to meet the short term working capital requirements. PSL Retail Private Limited has used the borrowings for the purpose as stated.
*There is no security provided. Holding Company has provided guarantee under agreement dated 01 November 2023 and 06 March 2024.

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(All amounts in ₹ lakhs, unless otherwise stated)

		As at 31 March 2024	As at 31 March 2023
8	**Trade Payables**		
	- Total outstanding dues of micro and small enterprises	533.54	267.03
	- Total outstanding dues of creditors other than micro and small enterprises	6,200.33	4,025.89
	Total	**6,733.87**	**4,292.92**

Note 8.1:

There are no payables to micro and small enterprises which are overdue

Dues to micro and small enterprises pursuant to Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)		
i) Principal amount remaining unpaid to any supplier.	**533.54**	**267.03**
ii) Interest due on principal amount remaining unpaid to any supplier.	-	-
iii) Interest paid by the Group in terms of Section 16 of MSMED, along with the amount of the payment made to the suppliers beyond the appointed day during the year.	-	-
iv) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED.	-	-
v) Interest accrued and remaining unpaid as at balance sheet date.	-	-
vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED.	-	-

The management has identified enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises, as defined under MSMED. Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financials statements based on information received and available with the Group. There is no interest paid or payable during the year.

Note 8.2 :

(a) Ageing of trade payables as at 31 March 2024

	Outstanding for the following period from the due date of payment					
Particulars	**Unbilled**	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade payables						
Micro enterprises and small enterprises	-	533.54	-	-	-	533.54
Others	1,970.83	4,218.11	11.39	-	-	6,200.33
Disputed Dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**1,970.83**	**4,751.65**	**11.39**	**-**	**-**	**6,733.87**

(b) Ageing of trade payables as at 31 March 2023

	Outstanding for the following period from the due date of payment					
Particulars	**Unbilled**	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade payables						
Micro enterprises and small enterprises	-	267.03	-	-	-	267.03
Others	1,059.31	2,960.75	5.83	-	-	4,025.89
Disputed Dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**1,059.31**	**3,227.78**	**5.83**	**-**	**-**	**4,292.92**

		As at 31 March 2024	As at 31 March 2023
9	**Other current liabilities**		
	Interest accrued but not due on borrowings	67.94	26.66
	Employee related dues	82.44	361.69
	Statutory dues payable	368.30	1,659.88
	Capital creditors	158.63	77.52
	Advance from customers (Refer note (i) below)	3,314.02	3,372.26
	Security deposits received	2.00	-
	Other payable (Refer note (ii) below)	231.45	341.37
	Total	**4,224.78**	**5,839.38**

Notes:

(i) Advance from customers comprises of consideration received before the transfer of goods / services. It is recognised as revenue once the relevant Group company perform its obligations.

(ii) Other payable comprises of balance received by the relevant Group company and available to the customers as store credit for future use.

10	**Short term provision**		
	Provision for gratuity (Refer note 34)	38.49	20.04
	Provision for lease equalization	97.83	142.32
	Total	**136.32**	**162.36**

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11 Property, plant and equipment

Particulars	Computers	Furniture and fixtures	Office equipment	Vehicle	
Gross block					
As at 01 April 2022	**211.52**	**1,286.58**	**91.94**	**11.83**	**1,601.87**
Additions during the year	147.47	1,193.00	32.01	-	**1,372.48**
Disposals during the year	-	-	-	-	**-**
As at 31 March 2023	**358.99**	**2,479.58**	**123.95**	**11.83**	**2,974.35**
Additions during the year	90.34	1,437.50	18.77	-	**1,546.61**
Disposals during the year	(0.40)	(1.47)	(0.16)	-	**(2.03)**
As at 31 March 2024	**448.93**	**3,915.61**	**142.56**	**11.83**	**4,518.93**
Accumulated depreciation					
As at 1 April 2022	**107.68**	**130.91**	**46.01**	**2.05**	**286.65**
Depreciation for the year	73.83	212.59	21.36	1.58	**309.36**
Disposal of assets	-	-	-	-	**-**
As at 31 March 2023	**181.51**	**343.50**	**67.37**	**3.63**	**596.01**
Depreciation for the year	96.11	291.69	20.88	1.48	**410.16**
Disposal of assets	(0.15)	(0.25)	(0.12)	-	**(0.52)**
As at 31 March 2024	**277.47**	**634.94**	**88.13**	**5.11**	**1,005.65**
As at 31 March 2023	**177.48**	**2,136.08**	**56.58**	**8.20**	**2,378.34**
As at 31 March 2024	**171.46**	**3,280.67**	**54.43**	**6.72**	**3,513.28**

Refer note 5.1 and note 5.2 for details of the assets held as securities against borrowings.

11.1 Intangible assets

Particulars	Softwares	Goodwill *	
Gross block			
As at 01 April 2022	428.60	1,367.27	**1,795.87**
Additions during the year	5.45	-	**5.45**
Disposals during the year	-	-	**-**
As at 31 March 2023	**434.05**	**1,367.27**	**1,801.32**
Additions during the year	-	-	**-**
Disposals during the year	-	-	**-**
As at 31 March 2024	**434.05**	**1,367.27**	**1,801.32**
Accumulated amortisation			
As at 01 April 2022	161.23	521.49	**682.72**
Amortisation for the year	44.13	136.68	**180.81**
Disposal of assets	-	-	**-**
As at 31 March 2023	**205.36**	**658.17**	**863.53**
Amortisation for the year	30.78	654.17	**684.95**
Disposal of assets	-	-	**-**
As at 31 March 2024	**236.14**	**1,312.34**	**1,548.48**
As at 31 March 2023	**228.69**	**709.10**	**937.79**
As at 31 March 2024	**197.91**	**54.93**	**252.84**

Note
There are no known capital commitments as at 31 March 2024 and 31 March 2023.
Property, plant and equipment have been hypothecated to secure the NCDs raised by PSL Retail Private Limited.

* Goodwill was accounted at the time of acquisition of the brands "Pernia's Pop-Up","Wendell Rodricks" and "Hemant Trevedi". The said goodwill represents the purchase value of these labels which are reputed in the designer fashion market. In accordance with AS 26, this goodwill has been amortised considering useful life of five years. The Company has witnessed a strong growth in all these brands from the date of acquisition (from the perspective of increased customers as well as increased sales).

11.2 Capital work in progress	As at 31 March 2024	As at 31 March 2023
Opening Balance	-	-
Add: Additions during the year	992.10	-
Less: Capitalised during the year	(910.86)	-
As at 31 March 2024	**81.24**	**-**

Note:
The balance in 'Capital work in progress' is in relation to the furniture and fixture for new store, the work for which started in the month of Feburary 2024 and the same is intended to be completed within a period of 6 months.

12 Deferred tax assets

As per the Accounting Standard 22 "Accounting for taxes on income", the Group would have a net deferred tax assets amounting ₹ 4,597.72 lakhs (31 March 2023 ₹ 3,504.26 lakhs) comprising mainly of carried forward losses under tax laws. However, as subsequent realisation of such amount in near future is not virtually certain, management is of the view that it is prudent not to recognise deferred tax asset as at balance sheet date.

13 Non-current investments	As at 31 March 2024	As at 31 March 2023
Trade investments and unquoted		
Equity investments in others		
- Pinkcow Designs Private Limited		
1,625 (31 March 2023: 1,625) Shares of ₹10 each	65.00	65.00
Less: Provision for impairment	(65.00)	(65.00)
- Landcraft Retail Private Limited		
262 (31 March 2023: Nil) Shares of ₹1000 each	105.32	-
Total	**105.32**	**-**
Other disclosures for investments:		
- Aggregate amount of quoted investments	-	-
- Aggregate amount of unquoted investments	170.32	65.00
- Aggregate amount of impairment in value of investments	(65.00)	(65.00)

		As at 31 March 2024	As at 31 March 2023
14	**Long term loans and advances**		
	Unsecured, considered good		
	Balances with government authorities	316.35	1,213.51
	Income tax assets	66.47	47.27
	Total	**382.82**	**1,260.78**
15	**Other non-current assets**		
	Unsecured and considered good		
	Security deposits (unsecured, considered good)	3,480.80	2,433.04
	Total	**3,480.80**	**2,433.04**
16	**Inventories**		
	(Valued at lower of cost or net realisable value)		
	Raw material	59.84	51.38
	Work in progress	33.79	29.01
	Finished goods	191.42	276.74
	Stock-in-trade	13,755.08	8,353.38
	Total	**14,040.13**	**8,710.51**

Note

During the year ended 31 March 2024, the Group has accounted for provision for inventory obsolescence amounting to ₹ 115.60 lakhs for finished goods (31 March 2023 : ₹14.29 lakhs) and ₹ 812.01 lakhs for stock-in-trade (31 March 2023 : ₹ 222.00 lakhs) on account of inventory whose net realisable value is lower than the cost.

		As at 31 March 2024	As at 31 March 2023
17	**Trade receivables**		
	Unsecured, considered good	271.50	217.94
	Unsecured, considered doubtful	-	-
	Less: Provision for doubtful receivables	-	-
	Total	**271.50**	**217.94**

(a) **Ageing of trade receivables as at 31 March 2024**

Particulars	Unbilled	Outstanding for the following period from the invoice date: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
considered good	182.74	50.47	20.95	17.34	-	-	271.50
considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	
considered good	-	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-	-
Total	**182.74**	**50.47**	**20.95**	**17.34**	**-**	**-**	**271.50**
Less: Provision for doubtful receivables							-
Total							**271.50**

(b) **Ageing of trade receivables as at 31 March 2023**

Particulars	Unbilled	Outstanding for the following period from the invoice date: Less than 6 months	6 months to 1 year	1-2 Year	2-3 Year	More Than 3 Years	Total
Undisputed trade receivables							
considered good	-	197.39	20.55	-	-	-	217.94
considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables							-
considered good	-	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-	-
Total	**-**	**197.39**	**20.55**	**-**	**-**	**-**	**217.94**
Less: Provision for doubtful receivables							-
Total							**217.94**

		As at 31 March 2024	As at 31 March 2023
18	**Cash and bank balances**		
	Cash on hand	68.80	50.34
	Balance with banks		
	- in current accounts	250.33	706.60
	Total	**319.13**	**756.94**
19	**Short term loans and advances**		
	Unsecured, considered good		
	Balances with government authorities	4,344.92	3,026.57
	Advances to vendors	833.90	1,764.17
	Loans to employees	62.86	-
	Prepaid expenses	220.51	80.91
	Total	**5,462.19**	**4,871.65**
20	**Other current assets**		
	Security deposits	148.23	224.71
	Fixed deposit with bank	10.09	-
	Other receivables (including amount receivable from payment gateways)	403.73	304.31
	Total	**562.05**	**529.02**

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PURPLE STYLE LABS LIMITED MUMBAI

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Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Notes to the consolidated financial statements as at and for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
21	**Revenue from operations**		
	Sale of goods	49,192.52	32,547.09
	Sale of services	1,583.44	4,690.96
	Total	**50,775.96**	**37,238.05**
22	**Other income**		
	Interest on income tax refund	2.28	1.49
	Interest income on fixed deposit	0.64	-
	Profit on sale of investments (net)	-	56.09
	Foreign exchange gain (net)	121.00	24.77
	Miscellaneous income	47.55	0.77
	Total	**171.47**	**83.12**
23	**Cost of materials consumed**		
	Inventories at the beginning of the year	51.38	41.75
	Add: Purchases	331.47	654.57
	Less: Inventories at the end of the year	59.84	51.38
	Total	**323.01**	**644.94**
24	**Purchases**		
	Purchases of traded goods	34,748.03	26,781.91
	Total	**34,748.03**	**26,781.91**
25	**Changes in inventories of finished goods, work in progress and stock-in-trade**		
	Opening inventory		
	Finished goods (Refer note 16)	276.74	83.51
	Work in progress (Refer note 16)	29.01	12.60
	Stock-in-trade (Refer note 16)	8,353.38	2,559.46
	Closing Inventory		
	Finished goods [Net of provision of ₹ 115.60 lakhs (31 March 2023: ₹ 14.29 lakhs)] (Refer note 16)	191.42	276.74
	Work in progress (Refer note 16)	33.79	29.01
	Stock-in-trade [Net of provision amounting to ₹ 812.01 lakhs (31 March 2023: ₹ 222.00 lakhs)]	13,755.08	8,353.38
	Total	**(5,321.16)**	**(6,003.56)**
26	**Employee benefit expenses**		
	Salaries, wages and bonus	5,497.55	4,120.02
	Contribution to provident fund and other funds [Refer note 34(ii)]	120.45	90.09
	Gratuity expenses [Refer note 34(i)]	96.42	58.93
	Staff welfare expenses	176.65	157.08
	Total	**5,891.07**	**4,426.12**
27	**Finance costs**		
	Interest on borrowings		
	- non-convertible debentures	1,164.39	230.23
	- others	236.52	522.80
	Interest on late payment of statutory dues	0.54	94.96
	Other borrowing costs	310.54	94.75
	Total	**1,711.99**	**942.74**
28	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (Refer note 11)	410.16	309.36
	Amortisation on intangible assets (Refer note 11.1)	684.95	180.81
	Total	**1,095.11**	**490.17**

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PURPLE STYLE LABS LIMITED MUMBAI

(All amounts in ₹ lakhs, unless otherwise stated)

		Year ended 31 March 2024	Year ended 31 March 2023
29	**Other expenses**		
	Travelling expenses	215.78	230.60
	Office and administrative expenses	146.83	66.48
	Repair and maintenance charges	297.57	231.08
	Bank charges	12.25	4.73
	Professional charges	411.59	603.47
	Housekeeping and security charges	483.77	314.95
	Packing material	199.69	178.36
	Utilities expenses	466.40	348.56
	Royalty charges	2.72	8.52
	Brokerage and commission	152.32	198.23
	Rates and taxes	111.21	115.02
	Rent expenses (Refer note 36)	4,517.54	3,483.48
	Audit fees (Refer note 33)	50.43	42.89
	Sales and marketing expenses	5,706.26	5,049.46
	Printing and stationery	126.52	105.21
	Insurance expenses	22.35	18.48
	Technology expenses	373.46	315.96
	Payment gateway charges	872.89	705.86
	Courier and shipping charges	2,763.51	2,553.89
	Impairment of investment	-	65.00
	Loss on sale of property, plant and equipment (net)	0.89	-
	Bad debt written off	33.08	-
	Miscellaneous expenses	100.60	267.46
	Total	**17,067.66**	**14,907.69**
30	**Exceptional item**		
	Reversal of share based payment cost*	-	1,064.72
	Total	**-**	**1,064.72**

*This pertains to reversal of excess cost accounted towards share based payment reserves. This reversal represents the residual cost lying in share based payment reserve after exercise of all the employee stock options to the respective employees.

		Year ended 31 March 2024	Year ended 31 March 2023
31	**Earnings per share (EPS)**		
	Face value per equity shares (in ₹)	10.00	10.00
	Weighted average number of equity shares outstanding during the year for basic EPS (A)	28,968.00	27,740.00
	Add: Effect of potential weighted average number of equity shares which are dilutive	34,959.00	34,544.00
	Weighted average number of equity shares outstanding during the year for diluted EPS (B)	63,927.00	62,284.00
	Net loss after tax attributable to equity shareholders (C)	(4,568.28)	(3,804.12)
	Loss per share		
	Basic (in ₹) (C/A)	**(15,770.09)**	**(13,713.43)**
	Diluted (in ₹) (C/B)*	**(15,770.09)**	**(13,713.43)**

*Being anti dilutitve, the diluted EPS has been capped to the amount of basic EPS.

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32 Related party disclosures

a) Names of related parties and description of relationship

Directors and Key management personnel (KMP)
Mr. Abhishek Binod Agarwal, Director
Mr. Abhinav Agarwal, Director
Mr. Harminder Sahni, Additional Director (w.e.f. 30 October 2023)

b) The transactions with related parties are as follows :

Particulars	For the year ended	Abhishek Binod Agarwal	Abhinav Agarwal	Harminder Sahni	Total
1. Equity Shares (Share Capital and Securities Premium)	31 March 2024	-	-	-	**-**
	31 March 2023	-	0.06	-	**0.06**
2. Preference Shares (Share Capital and Securities Premium)	31 March 2024	-	-	-	**-**
	31 March 2023	11.40	-	-	**11.40**
3. Expenses incurred on behalf of the Group	31 March 2024	-	14.24	-	**14.24**
	31 March 2023	26.35	10.81	-	**37.16**
4. Remuneration	31 March 2024	42.00	60.00	5.06	**107.06**
	31 March 2023	23.78	47.78	-	**71.56**
5. Loans taken	31 March 2024	400.00	-	-	**400.00**
	31 March 2023	640.00	425.00	-	**1,065.00**
6. Loans repaid	31 March 2024	400.00	-	-	**400.00**
	31 March 2023	640.00	425.00	-	**1,065.00**
7. Professional charges	31 March 2024	-	-	10.13	**10.13**
	31 March 2023	-	-	-	**-**

c) Balances with related parties for the year are as follows :

Particulars	As at	Abhishek Binod Agarwal	Abhinav Agarwal	Harminder Sahni	Total
1. Reimbursement of expense payable	31 March 2024	-	5.10	-	**5.10**
	31 March 2023	2.73	3.35	-	**6.08**

d) Other arrangements:

(i) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

(ii) In the reporting year, the Holding Company has provided corporate guarantee for borrowings availed by PSL Retail Private Limited of ₹ 6,641.00 lakhs along with interest accrued thereon (31 March 2023: Nil). As at 31 March 2024, the Group has outstanding guarantees with respect to (a) the borrowings availed by PSL Retail Private Limited of ₹ 4,221.82 lakhs (along with interest thereon) and (b) the license fees and related payment obligations of PSL Retail Private Limited amounting to ₹ 540.00 lakhs (31 March 2023: ₹ 792.00 lakhs).

(iii) Refer note 35 for details related to ESOP.

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(All amounts in ₹ lakhs, unless otherwise stated)

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
33	**Auditor remuneration (excluding taxes)**		
	Statutory audit fees	49.93	42.04
	Out of pocket expense	0.50	0.85
	Total	**50.43**	**42.89**

34 Employee benefits:

The Group has gratuity as defined benefit retirement plan for the employees of the Companies and PSL Retail Private Limited. Disclosures as required by Accounting Standard - 15 (Revised) for the year ended 31 March 2024 are as under :

Particulars	As at 31 March 2024	As at 31 March 2023
The liabilities recognised for employees consist of the following amounts :		
Long term provisions		
Provision for gratuity (Refer note (i) below)	174.16	102.19
Total	**174.16**	**102.19**
Short term provisions		
Provision for gratuity (Refer note (i) below)	38.49	20.04
Total	**38.49**	**20.04**

(i) Defined benefit plan (Unfunded)

The Holding Company and PSL Retail Private Limited have gratuity as defined benefit retirement plan for their employees. Disclosures as required by Accounting Standard - 15 (Revised) for the year ended 31 March 2024 are as under :

I. The amount recognised in the Statement of Profit and Loss are as follows :		
1. Current service cost	63.82	41.79
2. Interest cost	8.19	3.75
3. Past service cost	-	-
4. Net actuarial losses / (gains) recognised during the period	24.41	13.39
Total expense / (income) included in **'Employee benefits expense'**	**96.42**	**58.93**

II. Since the defined benefits are wholly unfunded, the disclosures relating to plan assets are not applicable.

III. Changes in the present value of defined benefit obligation

Change in defined benefit obligation		
Defined benefit obligation as at the beginning of the year	122.23	63.30
Interest cost	8.19	3.75
Current service cost	63.82	41.79
Actuarial (gains) / losses	24.41	13.39
Past service cost	-	-
Benefits paid	(6.00)	-
Defined benefit obligation as at the end of the year	**212.65**	**122.23**

IV. The amount recognised in the balance sheet are as follows :		
Present value of the obligation as at the end of the year	212.65	122.23
Net liability recognised in the Balance Sheet	**212.65**	**122.23**

V. Assumptions	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate (per annum)	7.20%	7.30%
Mortality rate	Indian Assured Lives Mortality Table (IALM) 2012-2014 Ultimate	Indian Assured Lives Mortality Table (IALM) 2012-2014 Ultimate
Salary growth rate	7%	7%
Attrition rate	25%	25%
Retirement age (in years)	60 years	60 years

The estimate of future increases of salary, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The gratuity linked liability of the Group are unfunded and hence there are no assets held to meet the liabilities.

VI. Experience adjustments (to the extent information available with the Company)

Date of valuation	31 March 2024	31 March 2023	31 March 2022
Defined benefit obligation	212.65	122.23	63.30
Plan assets	-	-	-
Deficit	**212.65**	**122.23**	**63.30**
Loss/ (gains) due to change in assumptions	0.82	(6.15)	(1.48)
Experience losses on defined benefit obligation	23.59	19.54	8.78
Total actuarial loss/(gain) on defined benefit obligation	**24.41**	**13.39**	**7.30**

(ii) Defined contribution plan

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Provident fund	120.45	90.09
Total	**120.45**	**90.09**

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35 In the Holding Company, Purple Style Labs Limited, Employee Stock Option Plan-2017 was revised and replaced by Stock Option Plan-2019 | Purple Style Labs Private Limited ("ESOP Scheme 2019" / "Plan") and approved by the shareholders on December 15, 2017 and December 05, 2019 respectively. The Plan entitled certain employees to purchase shares of the Company at the stipulated exercise price, subject to compliance with vesting conditions. All options were exercised by delivery of shares. As per the Plan, holders of vested options were entitled to purchase one equity share for every option at an exercise price of ₹ 10. The Plan was equity settled.

Details of ESOP granted under the ESOP Scheme 2019 as follows :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Numbers of options granted	-	-
Vesting conditions	-	-
Exercise period	-	-
Exercise price	-	-

Number of options granted, exercised and forfeited	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	1,692.00
Granted during the year	-	-
Forfeited / expired during the year	-	-
Exercised during the year	-	(1,692.00)
Outstanding at the end of the year	-	-
Exercisable (options vested not yet exercised) at the end of the year	-	-
Unvested options at the end of the year	-	-

Particulars	As at 31 March 2024	As at 31 March 2023
Employee stock option charge/(gain) recognised during the year	-	(1,064.72)

The following assumptions were used for calculation of fair value of grants :

Particulars	As at 31 March 2024	As at 31 March 2023
Risk-free interest rate (%)	N.A.	6.81%
Time to expiration (years)	N.A.	10
Expected volatility (%)	N.A.	41.29%
Dividend yield	-	-

Details of ESOP exercised by key managerial personnel:

Particulars	As at 31 March 2024	As at 31 March 2023
Mr. Abhinav Agarwal		
-No. of shares	-	600
-Value of shares (in lakhs)	-	929.95

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Abhinav

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36 Operating Lease

a) The Group has taken various commercial premises on non-cancellable operating lease and cancellable operating lease (with lock-in period). Minimum lease payments outstanding as at 31 March 2024 in respect of these leases are as follows :

Particulars	As at 31 March 2024	As at 31 March 2023
Minimum lease payments		
Payable not later than 1 year	3,197	4,417
Payable later than 1 year and not later than 5 years	5,541	1,472
Total	**8,738**	**5,889**

Lease payments of ₹ 4,517.54 lakhs (31 March 2023: ₹ 3,483.48 lakhs) in respect of above leases have been recognized as an expense in the Statement of Profit and Loss for the year ended 31 March 2024.

37 Information on contribution by the entities forming part of the Group :

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities				Share in profit/(loss)			
	31 March 2024		31 March 2023		31 March 2024		31 March 2023	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount
Holding Company								
Purple Style Labs Limited	302.50%	15,884.36	180.64%	12,394.30	-9.83%	449.26	2.77%	(105.19)
Subsidiaries								
PSL Retail Private Limited	-161.66%	(8,488.89)	-56.92%	(3,905.54)	100.33%	(4,583.35)	91.29%	(3,472.62)
Purple Style Labs UK Limited	6.99%	367.01	-30.98%	(2,125.72)	9.50%	(434.20)	19.09%	(726.31)
Total elimination /adjustment	-47.83%	(2,511.53)	7.26%	498.13	0.00%	0.01	-13.14%	500.00
Total	**100.00%**	**5,250.95**	**100.00%**	**6,861.17**	**100.00%**	**(4,568.28)**	**100.00%**	**(3,804.12)**

38 Segment Information

Primary segment information

The Group operates under a single (primary) business segment viz. "sale of goods and services related to designer fashion and lifestyle products" which in the context of Accounting Standard (AS) -17 on "Segment Reporting" constitute a single reporting segment.

Secondary segment information

The principal geographic areas in which the Group operates based on the location of customers are "Within India" and "Outside India".

Revenue by geographical market	Year ended 31 March 2024	Year ended 31 March 2023
Within India	31,143.69	22,263.00
Outside India	19,632.27	14,975.05
Total	**50,775.96**	**37,238.05**

Carrying value of segment assets (excluding income tax assets)	As at 31 March 2024	As at 31 March 2023
Within India	27,140.09	20,846.27
Outside India	1,264.74	1,202.47
Total	**28,404.83**	**22,048.74**

39 Contingent liabilities

(i) In the reporting year, the Holding Company has provided corporate guarantee for borrowings availed by PSL Retail Private Limited of ₹ 6,641.00 lakhs along with interest accrued thereon (31 March 2023: Nil). As at 31 March 2024, the Group has outstanding guarantees with respect to (a) the borrowings availed by PSL Retail Private Limited of ₹ 4,221.82 lakhs (along with interest thereon) and (b) the license fees and related payment obligations of PSL Retail Private Limited amounting to ₹ 540.00 lakhs (31 March 2023: ₹ 792.00 lakhs).

(ii) Subsequent to 31 March 2024, the Group has recieved an Income Tax demand notice amounting to ₹ 88.04 lakhs for Assessment Year 2023-24. The Group is in process of filing an appeal in relation to the same.

40 Going Concern

During the year ended 31 March 2024, the Group has reported net losses amounting to ₹ 4,568.28 lakhs (31 March 2023: ₹ 3,804.12 lakhs) and as of that date, the Group's accumulated losses amounting to ₹ 22,277.09 lakhs (31 March 2023: ₹ 17,708.81 lakhs). Further, the Group has negative operating cash flows amounting to ₹ 7,066.08 lakhs for the year ended 31 March 2024 (31 March 2023: ₹ 7,402.29 lakhs) and as at the date, the Group's current liabilities exceed its current assets by ₹ 1,903.87 lakhs (31 March 2023: Nil). Basis Group's plans and sustainability of its business, the Group has been able to raise funds in the form of equity and debt as and when need arouse in the past years. The business strategies and operating plans (forecast) planned will enable the Group to expand the operations and achieve higher revenue in the forthcoming periods. Further, subsequent to year-end, the Group has received aggregate funding of ₹ 10,173 lakhs in the form of debt and equity. Accordingly, basis such projections and fundings being received from time to time, the management believes that the Group will be able to meet all its liabilities as and when they fall due for payment in the foreseeable future. Hence, these consolidated financial statements are prepared on a going concern basis and consequently, the Group will be able to realise its assets and discharge its liabilities as recorded in the financial statements in the normal course of business.

41 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies which use accounting software for maintaining its books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Holding Company and its subsidiary have used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail (edit log) feature could not sufficiently demonstrate whether the same was enabled and operated effectively throughout the year.

The Holding Company and its subsidiary have used another accounting software for maintaining of sales, purchase and inventory records which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software at the application level. However, the audit trail feature was not enabled at the database level to log any direct data changes for the said software. Presently, the access to database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

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42 Other statutory information

i. The Group does not have any undisclosed income, which has not been recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act,1961).
ii. No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under.
iii. The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
iv. No Group entity has been declared a wilful defaulter by any bank/financial institution/government authority.
v. No Group entity has undertaken any transaction with another company whose name have been struck off.
vi. The Group has not granted any loan to promoter, directors or KMPs, severally or jointly with any other person, during the year.
vii. Section 135 of the Companies Act, 2013 related to Corporate Social Responsibility is not applicable to the entities of the Group (incorporated in India) during the current year.
viii. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in a party identified by or on behalf of the Group ("Ultimate Beneficiaries"). The Group has not received any fund from any parties with understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
ix. The Group has no working capital limit sanctioned by banks or financial institutions based on the security over current assets.

43 Previous years figures have been regrouped/reclassified wherever necessary to correspond with current years classification/disclosures including changes to align with the requirements of revised Schedule III of the Act. The impact of such reclassification is not material to the consolidated financial statements.

This are the notes to consolidated financial statements referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No. : 109632

Place: Mumbai
Date: 27 September 2024

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For **Kedia & Agrawal**
Chartered Accountants
Firm Registration No. 140989W

Sunil Kumar Kedia
Partner
Membership No: 427613

Place: Mumbai
Date: 27 September 2024

KEDIA & AGRAWAL
Mumbai
F.R.N.
140989W
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

For Purple Style Labs Limited

Abhinav

Director

Abhishek Binod Agarwal
Director
DIN : 07237807

Place: Mumbai
Date: 27 September 2024

Abhinav Agarwal
Director
DIN : 07178846

Place: Mumbai
Date: 27 September 2024

PURPLE STYLE LABS LIMITED
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