

Independent Auditor's Report on Special Purpose Ind AS Consolidated Financial Statements for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

To the Board of Directors of Purple Style Labs Limited (formerly known as Purple Style Labs Private Limited)

Opinion

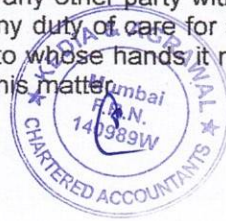
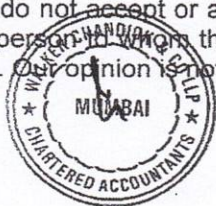
1. We have audited the accompanying Special Purpose Ind AS Consolidated Financial Statements of **Purple Style Labs Limited (formerly known as Purple Style Labs Private Limited)** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Special Purpose Consolidated Balance Sheet as at 31 March 2025, 31 March 2024 and 31 March 2023, the Special Purpose Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Consolidated Statement of Cash Flows and the Special Purpose Consolidated Statement of Changes in Equity for the years then ended, and notes to the Special Purpose Consolidated Financial Statements, including material accounting policy information and other explanatory information (together hereinafter referred to as 'Audited Special Purpose Ind AS Consolidated Financial Statements').
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 report of the other auditors on separate financial statements of the subsidiary, the aforesaid Audited Special Purpose Ind AS Consolidated Financial Statements are prepared, in all material respects, in accordance with the basis of preparation described in Note 2(A) to these Audited Special Purpose Ind AS Consolidated Financial Statements.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Special Purpose Ind AS 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 Special Purpose Ind AS 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 auditors in terms of their report referred to in paragraph 13 in the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of Preparation and Restriction on Distribution and Use

4. We draw attention to Note 2(A) to the accompanying Audited Special Purpose Ind AS Consolidated Financial Statements, which describes the basis of its preparation. The Special Purpose Ind AS Consolidated Financial Statements have been prepared by the Holding Company's management solely for the purpose of preparation of the Restated Consolidated Financial Information of the Group for the years ended 31 March 2025, 31 March 2024 and 31 March 2023 to be included in the Draft Red Herring Prospectus ('DRHP')/ Red Herring Prospectus ('RHP')/ Prospectus, as per the requirements of Section 26 of Part I of Chapter III of the Act, read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time (the "ICDR Regulations") and the general directions issued by Securities and Exchange Board of India ("SEBI") dated 28 October 2021 through the Association of Investment Banking of India to the Lead Managers of the Holding Company, to be filed with SEBI, National Stock Exchange of India Limited and BSE Limited and Registrar of Companies (Mumbai), in relation to the proposed Initial Public Offer ('IPO') of the equity shares of the Holding Company. Therefore, these Audited Special Purpose Ind AS Consolidated Financial Statements may not be suitable for any other purpose. Our report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior consent in writing. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person in whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter.



Responsibilities of Management and Those Charged with Governance for the Special Purpose Ind AS Consolidated Financial Statements

5. The accompanying Special Purpose Ind AS 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 preparation and presentation of these Special Purpose Ind AS Consolidated Financial Statements in accordance with the basis of preparation described in Note 2(A) to such financial statements including determination that such basis of preparation is acceptable in the circumstances. The respective Board of Directors of the companies included in the Group are responsible for 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 Special Purpose Ind AS Consolidated Financial Statements, in all material respects, in accordance with the basis of preparation specified in aforementioned Note 2(A) and, are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Special Purpose Ind AS Consolidated Financial Statements by the Board of Directors of the Holding Company, as aforesaid.
6. In preparing the Special Purpose Ind AS 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Special Purpose Ind AS 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 Audited Special Purpose Ind AS 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 controls;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place adequate internal financial controls with reference to consolidated financial statements 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 Special Purpose Ind AS 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; and
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the special purpose Ind AS Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the special purpose Ind AS Consolidated financial statements, of which we are the independent auditors. For the one entity included in the Special Purpose Ind AS Consolidated Financial Statements, which have been audited by the other auditor, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
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 Matters

11. The Group has prepared a separate set of statutory consolidated financial statements for the year ended 31 March 2025 in accordance with Indian Accounting Standards as specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, using 01 April 2023 as Ind AS transition date, on which we have jointly issued an unmodified audit opinion vide our audit report dated 18 June 2025, addressed to the members of the Holding Company. The Special Purpose Ind AS Consolidated Financial Statements for the year ended 31 March 2025 has been prepared by the management based on aforesaid statutory consolidated financial statements, after considering adjustments on account of change in Ind AS transition date from 01 April 2023 to 01 April 2022 as further described in Note 2(A) to the accompanying special purpose consolidated financial statements, which have been jointly audited by us. Our opinion is not modified in respect of this matter.
12. The Group had also prepared a separate set of statutory consolidated financial statements for the years ended 31 March 2024 and 31 March 2023 in accordance with the Accounting Standards notified under Section 133 of the Act, read with the Companies (Accounting Standard) Rules, 2021 (as amended) and other relevant provisions of the Act, on which we have jointly issued an unmodified audit opinion vide our audit reports dated 27 September 2024 and 29 September 2023, respectively, to the members of the Holding Company. Further, the Group had prepared a separate set of statutory consolidated financial statements for the year ended 31 March 2022 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021, which have been audited by the predecessor auditor Kedia & Agrawal, who had expressed an unmodified opinion on those financial statements vide its audit report dated 26 September 2022. These consolidated financial statements for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 are together referred to as "Previous GAAP financial statements".

The Special Purpose Ind AS Consolidated Financial Statements for the years ended 31 March 2024, 31 March 2023 and transition date opening balance as at 01 April 2022 has been prepared by the Holding Company's management based on aforesaid Previous GAAP financial statements of the Group, after adjusting for the differences in the accounting principles adopted by the Group on transition to Ind AS using 01 April 2022 as the transition date as further described in Note 2(A) to the accompanying Special Purpose Ind AS Consolidated Financial Statements, which have been jointly audited by us. Our opinion is not modified in respect of this matter.

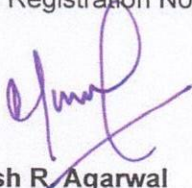


13. We did not audit the financial statements of one (1) subsidiary, whose financial statements (before eliminating inter-company transactions and balances) reflect total assets of INR 123.47 million, INR 109.16 million and INR 102.39 million as at 31 March 2025, 31 March 2024 and 31 March 2023 respectively, total revenues of INR 94.12 million, INR 112.12 million, INR 86.61 million and net cash inflows/outflows amounting to (outflow) INR 4.62 million, (inflow) INR 4.82 million, (outflow) INR 13.78 million for the years ended on that date, as considered in the Special Purpose Ind AS Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports has been furnished to us by the management and our joint opinion on the Special Purpose Ind AS Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditors.

Further, this subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in such country and which have been audited by other auditors under generally accepted auditing standards applicable in such country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in such country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our joint opinion on the Special Purpose Ind AS 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 auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our joint opinion above on the Audited Special Purpose Ind AS Consolidated Financial Statements is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditors.

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



Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 25109632BMLCW6751

Place: Mumbai
Date: 12 September 2025



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



Sunil Kumar Kedia
Partner
Membership No.: 427613

UDIN: 25427613BMIGNG7822

Place: Mumbai
Date: 12 September 2025



Annexure I referred in Paragraph 1 of the Independent Auditor's Report on Special Purpose Ind AS Consolidated Financial Statements for the years ended 31 March 2025, 31 March 2024 and 31 March 2023:

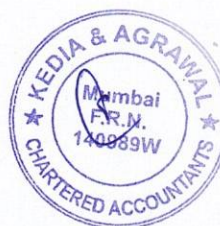
List of Entities included in the Audited Special Purpose Ind AS Consolidated Financial Statements:

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



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Special Purpose Consolidated Balance Sheet as at 31 March 2025, 31 March 2024 and 31 March 2023
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
ASSETS				
I Non-current assets				
Property, plant and equipment	5	323.73	351.31	237.83
Capital work-in-progress	6	34.08	8.12	-
Right of use assets	7	1,531.88	1,843.17	1,172.83
Goodwill	8	70.13	84.58	84.58
Other intangible assets	8	16.71	19.79	22.87
Financial assets				
(i) Investments	9	-	26.20	-
(ii) Loans	10	1.14	1.22	0.37
(iii) Other financial assets	11	361.50	173.81	138.90
Deferred tax assets (net)	42	-	-	-
Income-tax assets (net)	12	7.29	6.65	4.73
Other non-current assets	13	71.06	31.63	121.35
Total non current assets		2,417.52	2,546.48	1,783.46
II Current assets				
Inventories	14	1,603.38	1,404.01	871.05
Financial assets				
(i) Trade receivables	15	12.75	8.84	21.74
(ii) Cash and cash equivalents	16	103.78	31.91	75.69
(iii) Bank balances other than cash and cash equivalents	17	1.01	1.01	-
(iv) Loans	18	5.33	4.70	2.29
(v) Other financial assets	19	150.92	64.52	60.84
Other current assets	20	687.82	536.05	482.38
Total current assets		2,564.99	2,051.04	1,513.99
TOTAL ASSETS		4,982.51	4,597.52	3,297.45
EQUITY AND LIABILITIES				
III Equity				
Equity share capital	21	0.41	0.29	0.29
Other equity	22	1,186.56	408.48	592.55
Total equity		1,186.97	408.77	592.84
Liabilities				
IV Non-current liabilities				
Financial liabilities				
(i) Borrowings	23	-	10.09	0.20
(ii) Lease liabilities	25	1,461.20	1,671.78	1,018.59
Provisions	26	25.36	17.41	10.23
Total non current liabilities		1,486.56	1,699.28	1,029.02



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Special Purpose Consolidated Balance Sheet as at 31 March 2025, 31 March 2024 and 31 March 2023
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
V Current liabilities				
Financial liabilities				
(i) Borrowings	23	1,127.91	1,153.18	467.09
(ii) Lease liabilities	27	282.70	261.65	195.14
(iii) Trade payables	28			
- Total outstanding dues of micro and small enterprises		140.33	53.36	26.70
- Total outstanding dues of creditors other than micro and small enterprises		278.00	597.27	394.60
(iv) Other financial liabilities	29	27.44	47.45	78.86
Other current liabilities	30	447.26	372.71	511.20
Provisions	31	5.34	3.85	2.00
Total current liabilities		2,308.98	2,489.47	1,675.59
TOTAL LIABILITIES		3,795.54	4,188.75	2,704.61
TOTAL EQUITY AND LIABILITIES		4,982.51	4,597.52	3,297.45

The accompanying notes form an integral part of these Special Purpose Ind AS Consolidated Financial Statements.

This is the Special Purpose Consolidated Balance Sheet referred to in our report of even date.

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

Rakesh R. Agarwal
Partner

Membership No: 109632

Place: Mumbai
Date: 12 September 2025



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

Sunil Kumar Kedia
Partner
Membership No: 427613

Place: Mumbai
Date: 12 September 2025



For and on behalf of the Board of Directors
of Purple Style Labs Limited

Abhishek Agarwal
Whole-time director and
Chief Executive Officer
DIN : 07237807

Place: Mumbai
Date: 12 September 2025

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 12 September 2025

Abhinav Agarwal
Whole-time director and
Chief Business Officer
DIN : 07178846

Place: Mumbai
Date: 12 September 2025

Gulshan Mumtaz Khan
Company Secretary and
Compliance Officer

Membership No: A57061
Place: Mumbai
Date: 12 September 2025



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Special Purpose Consolidated Statement of Profit and Loss for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Income				
Revenue from operations	32	4,899.09	5,043.73	3,691.93
Other income	33	40.92	56.60	21.82
Total income		4,940.01	5,100.33	3,713.75
Expenses				
Cost of materials consumed	34	12.90	32.31	64.50
Purchases of stock-in-trade	35	3,025.87	3,474.80	2,682.54
Changes in inventories of finished goods, stock-in-trade and work-in-progress	36	(200.04)	(532.12)	(600.35)
Employee benefits expense	37	662.08	586.86	441.37
Finance costs	38	529.73	407.57	250.60
Depreciation and amortisation expenses	39	547.97	385.81	291.72
Other expenses	40	1,019.32	1,222.20	1,103.73
Total expenses		5,597.83	5,577.43	4,234.11
Profit/(loss) before exceptional item and tax		(657.82)	(477.10)	(520.36)
Exceptional item - expense/(income)	41	1,227.68	-	(106.47)
Profit/(loss) before tax		(1,885.50)	(477.10)	(413.89)
Tax expense/(credit), net	42			
(i) Current tax		-	-	-
(ii) Deferred tax		-	-	-
Profit/(loss) after tax		(1,885.50)	(477.10)	(413.89)
Other comprehensive income/(loss)	43			
Items that will not be reclassified to profit or loss				
- Remeasurement of the defined benefit plans (loss)		(1.37)	(2.43)	(1.34)
- Income tax relating to above		-	-	-
Items that will be reclassified to profit or loss				
- Exchange difference on translation of foreign operations		(5.88)	(8.62)	0.01
- Income tax relating to above		-	-	-
Other comprehensive income/(loss), net of tax		(7.25)	(11.05)	(1.33)
Total comprehensive income/(loss)		(1,892.75)	(488.15)	(415.22)
Profit/(loss) attributable to:				
- Owners of the Holding Company		(1,885.50)	(477.10)	(413.89)
- Non controlling interests		-	-	-
Other comprehensive income/(loss) attributable to:				
- Owners of the Holding Company		(7.25)	(11.05)	(1.33)
- Non controlling interests		-	-	-
Total comprehensive income/(loss) attributable to:				
- Owners of the Holding Company		(1,892.75)	(488.15)	(415.22)
- Non controlling interests		-	-	-



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Special Purpose Consolidated Statement of Profit and Loss for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Earnings/(losses) per equity share attributable to owners of the Holding Company	44			
Basic and Diluted (in ₹)		(29,026.00)	(7,462.85)	(6,689.45)
Face value per share (in ₹)		10.00	10.00	10.00

The accompanying notes form an integral part of these Special Purpose Ind AS Consolidated Financial Statements.

This is the Special Purpose Consolidated Statement of Profit and Loss referred to in our report of even date.

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


Rakesh R. Agarwal
Partner

Membership No: 109632

Place: Mumbai
Date: 12 September 2025



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


Sunil Kumar Kedia
Partner

Membership No: 427613

Place: Mumbai
Date: 12 September 2025



**For and on behalf of the Board of Directors
of Purple Style Labs Limited**


Abhishek Agarwal
Whole-time director and
Chief Executive Officer
DIN : 07237807

Place: Mumbai
Date: 12 September 2025


Umesh Pawan Choudhary
Chief Financial Officer

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DIN : 07178846

Place: Mumbai
Date: 12 September 2025


Gulshan Mumtaz Khan
Company Secretary and
Compliance Officer
Membership No: A57061
Place: Mumbai
Date: 12 September 2025

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Special Purpose Consolidated Statement of Cash Flows for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities				
Profit/(loss) before tax		(1,885.50)	(477.10)	(413.89)
Adjustments for :				
Depreciation and amortisation expense	39	547.97	385.81	291.72
Share based payment expense	41	1,227.68	-	(106.47)
Interest income	33	(26.59)	(19.30)	(13.49)
Loss on sale of property, plant and equipment (net)	40	-	0.09	-
Gain on fair valuation of investments (net)	33	(3.93)	(15.67)	(5.61)
Bad debts written off	40	1.36	3.28	0.04
Provision for inventory obsolescence	36	105.30	92.76	23.63
Impairment of investment	9	-	-	6.50
Finance costs	38	529.50	407.52	241.10
Liability written back	33	(3.36)	(6.18)	-
Effect of exchange rate on translation of operating cashflows		(5.88)	(8.62)	0.01
Operating profit before working capital changes		486.55	362.59	23.54
Changes in working capital:				
(Increase)/ Decrease in inventories	14	(304.67)	(625.72)	(624.95)
(Increase)/ Decrease in trade receivables	15	(5.27)	9.62	58.56
(Increase)/ Decrease in other financial assets		(259.24)	(127.11)	(133.42)
(Increase)/ Decrease in other assets		(179.89)	41.88	(240.00)
Increase/ (Decrease) in trade payables	28	(264.95)	198.63	92.88
Increase/ (Decrease) in provisions	26 & 31	8.07	6.60	4.56
Increase/ (Decrease) in other financial liabilities	29	(8.00)	(39.52)	51.75
Increase/ (Decrease) in other liabilities	30	76.19	(138.49)	326.63
Cash used in operations		(451.21)	(311.52)	(440.45)
Taxes (paid)/ refunds (net)	42	(0.64)	(1.92)	(1.44)
Net cash used in operating activities (A)		(451.85)	(313.44)	(441.89)
Cash flow from investing activities				
Purchase of property, plant and equipment (including movement in capital work-in-progress, capital advances and capital creditors)		(149.37)	(154.67)	(134.81)
Proceeds from sale of property, plant and equipment		0.01	0.07	-
Proceeds from sale of investments	9	30.13	-	10.64
Increase in fixed deposits not considered as cash equivalents	17	-	(1.00)	-
Interest received on fixed deposits		0.07	0.05	-
Purchase of investments	9	-	(10.53)	-
Effect of exchange rate on translation of investing cashflows		(1.97)	(1.78)	(1.41)
Net cash used in investing activities (B)		(121.13)	(167.86)	(125.58)
Cash flow from financing activities				
Proceeds from issue of shares including premium collected	21, 22	1,482.50	304.65	625.90
Expenses incurred on issue of shares	22	(39.23)	(0.57)	-
Proceeds from non-current borrowings	23	1,121.50	1,141.00	504.80
Repayment of non-current borrowings (including current maturities)	23	(1,050.11)	(555.43)	(340.10)
Proceeds from short term borrowings	23	748.42	394.61	540.72
Repayment of short term borrowings	23	(854.70)	(288.33)	(477.87)
Payment of interest on borrowings	38	(222.45)	(135.96)	(75.51)
Payment of lease liabilities	53	(269.23)	(187.77)	(151.36)
Payment of interest on lease liabilities	53	(273.15)	(236.38)	(156.32)
Effect of exchange rate on translation of financing cashflows		1.30	1.70	1.40
Net cash generated from financing activities (C)		644.85	437.52	471.66
Net increase / (decrease) in cash and cash equivalents (A+B+C)		71.87	(43.78)	(95.81)
Cash and cash equivalents at the beginning of the year	16	31.91	75.69	171.50
Cash and cash equivalents at the end of the year	16	103.78	31.91	75.69



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Special Purpose Consolidated Statement of Cash Flows for the years ended 31 March 2025, 31 March 2024 and 31 March 2023
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Cash and cash equivalents comprise of :				
Cash on hand		15.25	6.88	5.03
Balances with banks		88.53	25.03	70.66
- in current accounts		<u>103.78</u>	<u>31.91</u>	<u>75.69</u>

Notes:

- Figures in brackets represents outflow of cash and cash equivalents.
- The Special Purpose Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) - 'Statement of Cash Flows'.
- Acquisition and deletion of right of use assets have been considered as non cash investing activities during the reporting periods.
- Refer note 24 for reconciliation of cash flows from financing activities as required as per Ind AS.
- Grant of loans to the employees have been considered as a part of operating activities for cash flow purpose.

The accompanying notes form an integral part of these Special Purpose Ind AS Consolidated Financial Statements.

This is the Special Purpose Consolidated Statement of Cash Flows referred to in our report of even date

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

Rakesh R. Agarwal
Partner

Membership No: 109632

Place: Mumbai
Date: 12 September 2025



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

Sunil Kumar Kedia
Partner
Membership No: 427613

Place: Mumbai
Date: 12 September 2025



For and on behalf of the Board of Directors
of Purple Style Labs Limited

Abhishek Agarwal
Whole-time director and
Chief Executive Officer
DIN : 07237807

Place: Mumbai
Date: 12 September 2025

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 12 September 2025



Abhinav Agarwal
Whole-time director and
Chief Business Officer
DIN : 07178846

Place: Mumbai
Date: 12 September 2025

Gulshan Mumtaz Khan
Company Secretary and
Compliance Officer
Membership No: A57061
Place: Mumbai
Date: 12 September 2025

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Special Purpose Consolidated Statement of Changes in Equity for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

A) Equity Share Capital
(Refer note 21)

Particulars	Number of shares fully paid-up	Amount	Number of shares partly paid-up	Amount	Total
Issued, subscribed and paid-up:					
As at 1 April 2022	16,496	0.16	11,000	0.10	0.26
Add: Issued during the year	1,692	0.02	-	-	0.02
Add: CCPS converted into equity shares during the year	880	0.01	-	-	0.01
As at 31 March 2023	19,068	0.19	11,000	0.10	0.29
Add: Movement during the year	-	-	-	-	-
As at 31 March 2024	19,068	0.19	11,000	0.10	0.29
Add: Issued during the year	2,965	0.03	-	-	0.03
Add: CCPS converted into equity shares during the year	8,797	0.09	-	-	0.09
Add: Class 1 CCPS converted into equity shares during the year	100	0.00	-	-	0.00
As at 31 March 2025	30,930	0.31	11,000	0.10	0.41

(0.00 represents amounts below ₹ 5,000 in absolute terms)

B) Other equity
(Refer note 22)

Particulars	Equity component of compulsorily convertible preference shares (Refer note below)	Reserves and Surplus			Other reserve Foreign currency translation reserve	Total
		Securities premium	Employee stock option reserve	Retained earnings		
Balance as at 1 April 2022	0.33	1,744.02	202.82	(1,448.83)	(9.96)	488.38
Addition during the year on issue of CCPS	0.01	204.43	-	-	-	204.44
Addition during the year on call of partly paid CCPS	0.00	23.19	-	-	-	23.19
Addition during the year on issue of Class 1 CCPS	12.93	385.31	-	-	-	398.24
Conversion of CCPS into equity shares of ₹ 10 each	(0.01)	-	-	-	-	(0.01)
Addition due to issue of equity shares of ₹ 10 each to employees via employee stock option scheme	-	96.35	-	-	-	96.35
Reversal of excess share based payment expense (Refer note 41)	-	-	(106.47)	-	-	(106.47)
Transfer to securities premium on account of exercise of stock options	-	-	(96.35)	-	-	(96.35)
Profit/(loss) for the year	-	-	-	(413.89)	-	(413.89)
Other comprehensive income/(loss) for the year	-	-	-	(1.34)	-	(1.34)
Exchange difference on translation of financial statements of foreign operation	-	-	-	-	0.01	0.01
Balance as at 31 March 2023	13.26	2,453.30	-	(1,864.06)	(9.95)	592.55
Addition during the year on issue of Class 1 CCPS	6.77	297.88	-	-	-	304.65
Expenses incurred on issue of shares	-	(0.57)	-	-	-	(0.57)
Profit/(loss) for the year	-	-	-	(477.10)	-	(477.10)
Other comprehensive income/(loss) for the year	-	-	-	(2.43)	-	(2.43)
Exchange difference on translation of financial statements of foreign operation	-	-	-	-	(8.62)	(8.62)
Balance as at 31 March 2024	20.03	2,750.61	-	(2,343.59)	(18.57)	408.48
Conversion of CCPS into Equity shares of ₹ 10 each	(0.09)	-	-	-	-	(0.09)
Conversion of Class 1 CCPS into equity shares of ₹ 10 each	(1.06)	1.00	-	-	-	-
Issuance of equity shares of ₹ 10 each	-	1,482.47	-	-	-	1,482.47
Expenses incurred on issue of shares	-	(39.23)	-	-	-	(39.23)
Share based payment (Refer note 41)	-	-	1,227.68	-	-	1,227.68
Profit/(loss) for the year	-	-	-	(1,885.50)	-	(1,885.50)
Other comprehensive income/(loss) for the year	-	-	-	(1.37)	-	(1.37)
Exchange difference on translation of financial statements of foreign operation	-	-	-	-	(5.88)	(5.88)
Balance as at 31 March 2025	18.94	4,194.85	1,227.68	(4,230.46)	(24.45)	1,186.56

(0.00 represents amounts below ₹ 5,000 in absolute terms)



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Special Purpose Consolidated Statement of Changes in Equity for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

Note:

The Group has issued two classes of compulsorily convertible preference shares i.e. 0.001% Compulsorily Convertible Preference Shares ("CCPS") of ₹ 10 each and 0.001% Class 1 Compulsorily Convertible Preference shares ("Class 1 CCPS") of ₹ 10,000 each. Refer note 22A for additional details.

The accompanying notes form an integral part of these Special Purpose Ind AS Consolidated Financial Statements.

This is the Special Purpose Consolidated Statement of Changes in Equity referred to in our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No. 001076N/ N500013

Rakesh R. Agarwal
Partner

Membership No: 109632

Place: Mumbai

Date: 12 September 2025



For Kedia & Agrawal

Chartered Accountants

Firm Registration No. 140989W

Sunil Kumar Kedia
Partner

Membership No: 427613

Place: Mumbai

Date: 12 September 2025



For and on behalf of the Board of Directors of Purple Style Labs Limited

Abhishek Agarwal
Whole-time director and
Chief Executive Officer
DIN : 07237807

Place: Mumbai

Date: 12 September 2025

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai

Date: 12 September 2025



Abhinav Agarwal
Whole-time director and
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DIN : 07178846

Place: Mumbai

Date: 12 September 2025

Gulshan Mumtaz Khan
Company Secretary and
Compliance Officer

Membership No: A57061

Place: Mumbai

Date: 12 September 2025

(Signature)

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the year ended 31 March 2025, 31 March 2024 and 31 March 2023

1. Group information

Purple Style Labs Limited (the "Company" or the "Holding Company") is an unlisted public limited company having CIN: U18204MH2015PLC267215 incorporated on 06 August 2015 and domiciled in India, having its registered office at CTS No 1081, Plot No 110, TPS Village, Service Road, Western Express Highway, Vile Parle (East), Mumbai 400057, Maharashtra. The Holding Company has two wholly owned subsidiaries namely, PSL Retail Private Limited (incorporated in India) and Purple Style Labs UK Limited (incorporated in the United Kingdom). The Holding Company along with its subsidiaries are referred to as the "Group". The Holding Company was converted from a private limited company to a public limited company with effect from 13 December 2023 and accordingly, its name was changed from Purple Style Labs Private Limited to Purple Style Labs Limited.

The Group's primary business is the retail of womenswear, menswear and other categories of products including jewellery, accessories and kids wear through its omnichannel platform comprising the online platforms in the name and style of Pernia's Pop-Up Shop and physical experience centers, in the name and style of Pernia's Pop-up Studios.

2. Basis of preparation

A. Statement of compliance

The Special Purpose Ind AS Consolidated Financial Statements the Group comprise of the Special Purpose Consolidated Balance Sheet as at 31 March 2025, 31 March 2024 and 31 March 2023, the Special Purpose Consolidated Statement of Profit and Loss (including other comprehensive income), the Special Purpose Consolidated Statement of Cash Flows and the Special Purpose Consolidated Statement of Changes in Equity for the years then ended and notes to the Special Purpose Ind AS Consolidated Financial Statements including material accounting policy information and other explanatory information (collectively, the 'Special Purpose Ind AS Consolidated Financial Statements').

The Special Purpose Ind AS Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 (as amended), and the presentation and disclosures requirement of Division II of Schedule III to the Act and other recognised accounting principles and policies generally accepted in India.

The Special Purpose Ind AS Consolidated Financial Statements were approved by the board of directors of the Holding Company ("Board of Directors") on 12 September 2025.

The Special Purpose Ind AS Consolidated Financial Statements have been prepared by the management solely to enable preparation of restated consolidated financial information of the Group which shall be included in Draft Red Herring Prospectus (DRHP) to be filed by the Holding Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited and Registrar of Companies, Mumbai, in connection with the proposed Initial Public Offering ('IPO') (referred to as the "Issue") of the Holding Company's equity shares.

The Group has transitioned to Ind AS in the financial year 2024-25 and accordingly, the Holding Company had also prepared a separate set of consolidated financial statements for the year ended 31 March 2025 in accordance with Indian Accounting Standards (Ind AS) as specified under Companies (Indian Accounting Standards) Rules 2015 (Ind AS Rules) prescribed by Section 133 of the Act using 1 April 2023 as transition date, for the statutory requirements under Section 129 of the Act, in accordance with the roadmap on transition to Ind AS applicable to companies as announced by the Ministry of Corporate Affairs and specified in Rule 4 of Ind AS Rules. Such statutory financial statements were approved by the Board of Directors at their meeting held on 18 June 2025.

Similarly, the Holding Company had prepared its statutory purpose consolidated financial statements for the years ended 31 March 2024 and 31 March 2023 in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2021 (as amended) and other relevant provisions of the Act ('previous GAAP'). Such



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the year ended 31 March 2025, 31 March 2024 and 31 March 2023

statutory financial statements for the year ended 31 March 2024 and 31 March 2023 were approved by the Board of Directors at their meeting held on 27 September 2024 and 29 September 2023, respectively.

However, to comply with the general directions issued by SEBI dated 28 October 2021 through the Association of Investment Banking of India to Lead Managers of the Company ("SEBI Communication"), the transition date considered for the purpose of these Special Purpose Ind AS Consolidated Financial Statements is 1 April 2022, which is different from the transition date i.e., 1 April 2023 adopted by the Holding Company for the preparation of first Ind AS compliant consolidated financial statements for statutory purpose as mentioned above. Pursuant to the aforesaid change in Ind AS transition date from 1 April 2023 to 1 April 2022 as per SEBI Communication, certain adjustments were required to be made to the statutory purpose consolidated financial statements for the years ended 31 March 2025, 31 March 2024 and 31 March 2023.

Further, no subsequent events post adoption of statutory consolidated financial statements for the years ended 31 March 2025, 31 March 2024 and 31 March 2023 by the Board of Directors, have been considered for the preparation of these Special Purpose Ind AS Consolidated Financial Statements, except for the change in the Ind AS transition date as mentioned above.

The Special Purpose Ind AS Consolidated Financial Statements comprise the special purpose standalone financial statements of Purple Style Labs Limited and its following wholly owned subsidiaries (together referred to as "Subsidiaries"):

Subsidiaries included for consolidation

Name of the entity	Country of incorporation	Holding Company's shareholding
PSL Retail Private Limited	India	100%
Purple Style Labs UK Limited	United Kingdom	100%

The accounting policies are applied consistently to all the periods presented in the special purpose consolidated financial statements, except for amendments applicable from a specified date.

The Special Purpose Ind AS Consolidated Financial Statements have been prepared using going concern assumption and on a historical cost convention and accrual basis, except for the certain financial assets and liabilities, defined employee benefit obligations and share-based payments, which are measured either at fair value or amortised cost.

B. Current and non-current classification

The Group presents assets and liabilities in the Special Purpose Consolidated Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be settled within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the year ended 31 March 2025,
31 March 2024 and 31 March 2023

- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period of twelve months as its operating cycle.

C. Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The results of subsidiary acquired or disposed of during the year are included in the Special Purpose Consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The Group combines the financial statements of the Holding Company and its Subsidiaries line by line, adding together like items of assets, liabilities, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between the group companies are eliminated in full on consolidation.

Special Purpose Ind AS Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a Group company uses accounting policies other than those adopted in the Special Purpose Ind AS Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Special Purpose Ind AS Consolidated Financial Statements to ensure conformity with the Group's accounting policies. Non-controlling interests, if any in the results and equity of subsidiaries are shown separately in the Special Purpose Consolidated Statement of Profit and Loss, Special Purpose Consolidated Statement of Changes in Equity and Special Purpose Consolidated Balance Sheet, respectively.

Notes to the Special Purpose Ind AS Consolidated Financial Statements represent notes involving items which are considered material and are accordingly duly disclosed. Materiality for the said purpose is assessed in relation to the information contained in the special purpose consolidated financial statements. Further, additional statutory information disclosed in special purpose standalone financial statements of the subsidiary and/or a Holding Company having no bearing on the true and fair view of the Special Purpose Ind AS Consolidated Financial Statements has not been disclosed in the special purpose consolidated financial statements.

There are no associates, joint ventures and joint operations in the Group.

D. Functional and presentation currency

The Special Purpose Ind AS Consolidated Financial Statements are presented in Indian Rupee (INR / ₹), which is also the Holding Company's functional currency. All amounts disclosed in the Special Purpose Ind AS Consolidated Financial Statements and notes have been rounded off to the nearest million, unless otherwise stated. Any amount appearing in Special Purpose Ind AS Consolidated Financial Statements as '0.00' represents amount less than INR 5,000 in absolute terms.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency of the Group are translated as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the year ended 31 March 2025, 31 March 2024 and 31 March 2023

- income and expenses for each statement of profit and loss are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

On disposal of a foreign operation, the associated exchange differences are reclassified to the Special Purpose Special Purpose Consolidated Statement of Profit and Loss, as part of the gain or loss on disposal.

E. Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 as issued from time to time. As on the date of release of these special purpose consolidated financial statements, MCA has notified an amendment to Ind AS 21 regarding lack of exchangeability between currencies, which is applicable for reporting period beginning on or after 1 April 2025. Such amendment to existing standard has not been adopted early by the Group.

3. Summary of material accounting policy information

A. Foreign currency transactions

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gain or loss arising on their settlement and restatement are recognised in the Special Purpose Special Purpose Consolidated Statement of Profit and Loss.

Non-monetary assets and liabilities that are recorded in terms of historical cost are not retranslated. Exchange differences are deferred in equity if they are attributable to part of net investment in a foreign operation.

B. Revenue recognition

Revenue is recognised on satisfaction of performance obligation upon transfer of promised goods or services to customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts, margin, rate change etc. offered by the Group as part of the contract. Revenue excludes taxes collected from customers on behalf of government.

The Group satisfies a performance obligation and recognised revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

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.

Revenue from sale of products is recognised by the Group at a point in time on which the performance obligation is satisfied which usually coincides with the dispatch of goods or upon delivery to customer, in accordance with the terms of sale.

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the year ended 31 March 2025,
31 March 2024 and 31 March 2023

Other non-operating income is recognised as and when due or received, whichever is earlier.

Customer award credits/ points

The Group has a customer award credits/ points programme which allows customers to accumulate loyalty points that can be redeemed against future purchases of products at discounted prices. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of loyalty points by the customer.

When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed at each reporting date.

Contract balances

i) Contract assets

A contract asset is the right to consideration in exchange for products or services that the Group transfers to its customers. If the Group transfers products or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditioned to customers' acceptance.

ii) Trade receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of 'Financial instruments – initial recognition and subsequent measurement'.

iii) Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract (i.e., transfers control of the related goods or services to the customer).

C. Income tax

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the period. Current and deferred taxes are recognised in the Special Purpose Special Purpose Consolidated Statement of Profit and Loss, except when they relate to item that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted in relation to the reporting period for each of the entities of the Group.

Deferred tax is recognised using balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition.

Deferred tax asset is recognised to the extent that sufficient taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the year ended 31 March 2025, 31 March 2024 and 31 March 2023

is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced when it is no longer probable that sufficient taxable profit will be available to allow the full or part of deferred tax assets to be utilised. At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group recognises deferred tax liability for all taxable temporary differences, except to the extent that both of the following conditions are satisfied:

- when the Group can control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

D. Leases

The Group assesses at contract inception and on reassessment of a contract, whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Lease payments associated with the short-term leases and leases of low-value assets are recognised as an expense in the Special Purpose Special Purpose Consolidated Statement of Profit and Loss.

i) Right of use assets

The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any re-measurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the lease term or the estimated useful lives of the assets, whichever is shorter. If the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right of use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce property, plant and equipment) in the period in which the event or condition that triggers the payment occurs.



In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date in case the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

For a lease modification that fully or partially decreases the scope of the lease, the Group decreases the carrying amount of the right of use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.

E. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each balance sheet date to confirm if there is any indication of impairment based on internal / external factors. An impairment loss is recognised 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. Impairment loss is recognised in the Special Purpose Special Purpose Consolidated Statement of Profit and Loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised 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 / amortisation if there was no impairment.

F. Inventories

Inventories are measured at lower of cost and net realisable value ("NRV") after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, and other costs including transportation and labour overheads incurred in bringing them to their respective present location and condition. Cost of raw materials is measured on weighted average basis. Work-in-progress and finished goods are measured on weighted average basis and its cost is computed on the basis of raw material consumed and proportion of direct overheads incurred. Stock in trade is measured on weighted average basis. NRV is the estimated selling price in ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

G. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

a) Initial recognition

Financial assets (excluding trade receivables that do not consist of significant financial component) are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset. A trade receivable without a significant financing component is initially measured at the transaction price.

Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss ("FVTPL") are recognised immediately in Special Purpose Special Purpose Consolidated Statement of Profit and Loss.



b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

• **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After Initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest income from these financial assets is included in finance income using the EIR method. Impairment gains or losses arising on these assets are recognised in the Special Purpose Special Purpose Consolidated Statement of Profit and Loss.

• **Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income ("OCI") if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset, on specified dates, give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised through profit and loss in the Special Purpose Special Purpose Consolidated Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI, is carried at FVTPL. Financial assets included within FVTPL category are measured at fair value with all changes recognised in the Special Purpose Consolidated Statement of Profit and Loss.

c) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Special Purpose Consolidated Statement of Profit and Loss. In respect of equity investments which are not held for trading, the Group has made an irrevocable election to present subsequent changes in the fair value of such instruments in the Special Purpose Consolidated Statement of Profit and Loss. Such an election is made by the Company on an instrument-by-instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

d) Impairment of financial assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on the financial assets and credit risk exposures.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.



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The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables (including lease receivables) and on any contractual right to receive financial asset that result from transactions within the scope of Ind AS 115. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Special Purpose Consolidated Statement of Profit and Loss.

e) De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

f) Cash and cash equivalents

For the purpose of presentation in the Special Purpose Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Special Purpose Consolidated Balance Sheet. Margin money deposits, earmarked balances with banks and other bank balances which have restrictions are presented as other bank balances.

ii) Equity instruments and financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial liabilities

a) Initial recognition

Financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Transaction costs directly attributable to the acquisition of financial liabilities at FVTPL are recognised immediately in Special Purpose Consolidated Statement of Profit and Loss.

b) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:



- **Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses including interest expenses on financial liabilities at FVTPL are recognised in the Special Purpose Consolidated Statement of Profit and Loss.

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing liabilities and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Special Purpose Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Special Purpose Consolidated Statement of Profit and Loss.

- c) **De-recognition of financial liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled, or expired. When an existing financial liability is replaced by another liability on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Special Purpose Consolidated Statement of Profit and Loss.

- d) **Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Special Purpose Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

H. Property plant and equipment (including capital work-in-progress)

All items of property, plant and equipment are stated at historical cost less accumulated depreciation / amortisation and impairment loss, if any. Historical cost includes expenditure that is attributable to the acquisition/ construction and all other costs (including borrowing related to qualifying assets), and taxes that are not refundable and are necessary to bring the asset to its working condition of use as intended.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Repairs and maintenance expenses are charged to Special Purpose Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

The cost of property, plant and equipment and directly related expenses net of accumulated impairment losses, if any, which are incurred before the date they are ready for their intended use, are disclosed as capital work-in-progress before such date.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Special Purpose Consolidated Statement of Profit and Loss when the asset is de-recognised.

Depreciation and amortisation

Depreciation is charged on straight line method on the basis of the useful life of assets (mentioned below). Depreciation is calculated on the depreciable amount which is the cost of an asset less its residual value. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation is calculated



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pro-rata from the date on which asset is ready for use or to the date of disposal, as the case may be. The Group depreciates its property, plant and equipment over useful life in the manner prescribed in Schedule II to the Act.

Useful life considered for calculation of depreciation for various asset classes are as follows:

Class of assets	Useful life
Computers	3 to 5 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years
Leasehold improvement	Lower of remaining lease term and useful life

Capital costs in respect of upgradation of leased premises are amortised over the balance lease period or its useful lives, whichever is lower.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2023 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

I. Intangible assets and amortisation

Intangible assets with a finite useful life are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is attributable to the acquisition/ development of the intangible assets including cost necessary to bring the asset to its intended use or sale. Expenditure on research activities is recognised in the Special Purpose Consolidated Statement of Profit and Loss as incurred.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Software and related implementation costs are capitalized where it is expected to provide enduring economic benefits and are amortized over a period of 5 to 10 years starting from the date on which asset is ready for use.

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount. Impairment losses relating to acquired goodwill are not reversed in future periods.

Expenditure on internally generated goodwill and brands is recognised in profit or loss as incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Special Purpose Consolidated Statement of Profit and Loss when the asset is derecognised.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2023 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.



J. Borrowings costs

Borrowing costs consist of interest, ancillary costs and other costs in connection with the borrowing of funds.

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalized as a part of the cost of such assets, up to the date of such assets are ready for their intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

K. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each balance sheet date and adjusted to reflect the management's estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation where outflow of resources is not probable or where outflow is probable but reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the special purpose consolidated financial statements. However, contingent assets are assessed continuously and if it is virtually certain that an inflow of economic benefits will arise, the assets and the related income are recognised in the period in which the change occurs.

L. Employee benefits

i) Short term employee benefits

All employee benefits which are due within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised on an undiscounted and accrual basis for the period in which the employee renders the related service.

ii) Post-employment benefits

Defined contribution plan

Group's contribution under provident fund scheme, employees state insurance corporation ("ESIC"), local government pension plan, etc. are recognised during the period in which the related service is rendered. The Group has no further payment obligations once the contributions have been paid.

Defined benefit plan

Gratuity: The Group has computed its liability towards future payments of gratuity to employees, on actuarial valuation basis, which is determined based on project unit credit method and the charge for current period is debited to the Special Purpose Consolidated Statement of Profit and Loss. The present value of the defined benefit obligation, which is unfunded at present, is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating the terms of the related obligation. Actuarial gains and losses arising on the re-measurement of defined benefit obligation is charged/ credited to other comprehensive income. They are included in the Special Purpose Consolidated Statement of Changes in Equity and in the Special Purpose Consolidated Balance Sheet.



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iii) Share based payments

Certain employees of the Group receive part of their remuneration through share-based payments in consideration for the services rendered. The fair value of the options at the grant date is calculated by an independent valuer based on Black Scholes model.

Related costs are recognised as employee benefits expense that are correspondingly credited to employee stock option reserve as part of total equity, over the period in which the performance and/or service conditions are fulfilled by relevant employees. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Special Purpose Consolidated Statement of Profit and Loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the fair value as at the grant date. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because of non-market performance and/or service conditions have not been met.

M. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to equity shareholders by the weighted average number of equity shares and instruments which are compulsorily convertible into equity shares, outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split (sub-division) and reverse share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For an event wherein the number of ordinary shares increases without an increase in resource, the number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) 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.

N. Exceptional items

When an item of income or expense within the Special Purpose Consolidated Statement of Profit and Loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain more meaningfully the performance of the Group for the period, the nature and amount of such items is disclosed as an exceptional item.

O. Segmental information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The CODM comprise of chief executive officer ("CEO") and executive directors of the Holding Company.



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P. Expenses incurred on issue of shares

Incremental costs directly attributable to the issue of equity shares or instruments in the nature of equity are recognised as a deduction from equity.

4. Critical estimates and judgements

The preparation of Special Purpose Ind AS Consolidated Financial Statements in conformity with Ind AS requires estimates and assumptions to be made by the management of the Group that affect the reported amounts of assets and liabilities and amounts disclosed as contingent liabilities on the date of the Special Purpose Ind AS Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods. Estimates and underlying assumptions are reviewed by the management at each reporting date.

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to originally assessed estimates and assumptions turning out to be different than the actual results.

A. Property, plant and equipment and intangible assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful lives and residual values as per Schedule II to the Act or otherwise are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

B. Income tax:

The tax jurisdiction for the Holding Company and its Subsidiaries is India except for Purple Style Labs UK Limited for which the tax jurisdiction is United Kingdom. Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on specific facts and circumstances. The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the special purpose consolidated financial statements.

C. Impairment of financial assets:

The impairment provisions for financial assets are based on the assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

D. Impairment of non-financial assets:

The carrying amounts of assets are reviewed at each balance sheet date to assess whether there is any indication that an individual asset / group of assets (constituting a cash generating unit) may be impaired. If there is any indication of impairment based on internal / external factors i.e., when the carrying amount of the assets exceeds the recoverable amount, an impairment is charged to the Special Purpose Consolidated Statement of Profit and Loss in the period in which an asset is identified as impaired. To determine the recoverable amount, management estimates expected future



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cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows and makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Group's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and appropriate adjustment to asset-specific risk factors.

E. Defined benefit obligation:

The cost of post-employment benefits is determined by using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long-term nature of these plans such estimates are subject to significant uncertainty. The assumptions used are disclosed in note 45.

F. Leases:

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

G. Provisions and contingent liabilities:

A provision is recognised when the Group has a present obligation as result of past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

H. Deferred revenue for customer award credits/ loyalty points:

The Group recognises deferred revenue for loyalty points based on sales trends, loyalty points generated and utilised in previous years. The Group reviews the estimates at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of loyalty points utilisation.

I. Deferred tax recognition:

Deferred tax asset (DTA) is recognised only when and to the extent there is convincing evidence that the Group will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.

J. Share based payments:

The Group uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option and volatility. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 46.



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5 Property, plant and equipment

Particulars	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicle	Total
Gross carrying amount (deemed cost)						
As at 1 April 2022	95.01	10.38	20.55	4.59	0.98	131.51
Additions during the year	94.04	14.75	25.26	3.20	-	137.25
Disposals during the year	-	-	-	-	-	-
As at 31 March 2023	189.05	25.13	45.81	7.79	0.98	268.76
Additions during the year	106.33	9.03	37.42	1.88	-	154.66
Disposals during the year	-	(0.04)	(0.15)	(0.02)	-	(0.21)
As at 31 March 2024	295.38	34.12	83.08	9.65	0.98	423.21
Additions during the year	73.87	3.78	12.06	10.75	-	100.46
Disposals during the year	(38.14)	-	(0.37)	(0.01)	-	(38.52)
As at 31 March 2025	331.11	37.90	94.77	20.39	0.98	485.15
Accumulated depreciation						
As at 1 April 2022	-	-	-	-	-	-
Depreciation for the year	16.70	7.38	4.56	2.13	0.16	30.93
Disposal of assets	-	-	-	-	-	-
As at 31 March 2023	16.70	7.38	4.56	2.13	0.16	30.93
Depreciation for the year	26.43	9.61	2.74	2.09	0.15	41.02
Disposal of assets	-	(0.01)	(0.03)	(0.01)	-	(0.05)
As at 31 March 2024	43.13	16.98	7.27	4.21	0.31	71.90
Depreciation for the year	103.80	10.79	10.41	3.07	0.15	128.22
Disposal of assets	(38.14)	-	-	-	-	(38.14)
Foreign translation (gain)/ loss	-	-	(0.55)	(0.01)	-	(0.56)
As at 31 March 2025	108.79	27.77	17.13	7.27	0.46	161.42
Net carrying amount						
As at 31 March 2023	172.35	17.75	41.25	5.66	0.82	237.83
As at 31 March 2024	252.25	17.14	75.81	5.44	0.67	351.31
As at 31 March 2025	222.32	10.13	77.64	13.12	0.52	323.73

Notes:

- Refer note 23 for the details of property, plant and equipment hypothecated towards borrowings of the Group.
- There are no known capital commitments to be reported as at the balance sheet dates.

6 Capital work-in-progress (CWIP)

Particulars	31 March 2025	31 March 2024	31 March 2023
Opening Balance	8.12	-	-
Additions during the year	101.27	99.21	-
Capitalised during the year	(75.31)	(91.09)	-
Closing balance	34.08	8.12	-

Capital work-in-progress ageing schedule

Particulars	CWIP as at 31 March 2025				Total
	< 1 Year	1 to 2 years	2 to 3 years	> 3 years	
Projects-in-progress	34.08	-	-	-	34.08
Projects temporarily suspended	-	-	-	-	-
Total	34.08	-	-	-	34.08

Particulars	CWIP as at 31 March 2024				Total
	< 1 Year	1 to 2 years	2 to 3 years	> 3 years	
Projects-in-progress	8.12	-	-	-	8.12
Projects temporarily suspended	-	-	-	-	-
Total	8.12	-	-	-	8.12



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Particulars	CWIP as at 31 March 2023				Total
	< 1 Year	1 to 2 years	2 to 3 years	> 3 years	
Projects-in-progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Notes:

i) The balance in 'Capital work-in-progress' is in relation to the furniture and fixture for new stores/ store expansion and leasehold improvements and the same are intended to be completed within a period of 12 months.

ii) Capital work-in-progress, whose completion is overdue or exceeded its cost compared to its original plan as at 31 March 2025 is Nil (31 March 2024: Nil, 31 March 2023: Nil).

7 Right of use assets

Particulars	Right of use assets - Building
Gross carrying amount	
As at 1 April 2022 (Refer note ii below)	739.22
Additions during the year	688.58
Disposals during the year	(13.17)
Foreign Exchange Adjustment	1.64
As at 31 March 2023	1,416.27
Additions during the year	1,010.27
Disposals during the year	(56.85)
Foreign exchange adjustment	2.83
As at 31 March 2024	2,372.52
Additions during the year	89.52
Disposals during the year	(45.85)
Foreign exchange adjustment	4.50
As at 31 March 2025	2,420.69
Accumulated depreciation	
As at 1 April 2022	-
Depreciation for the year	256.38
Disposal of assets	(13.17)
Foreign exchange adjustment	0.23
As at 31 March 2023	243.44
Depreciation for the year	341.71
Disposal of assets	(56.85)
Foreign exchange adjustment	1.05
As at 31 March 2024	529.35
Depreciation for the year	402.22
Disposal of assets	(45.85)
Foreign exchange adjustment	3.09
As at 31 March 2025	888.81
Net carrying amount	
As at 31 March 2023	1,172.83
As at 31 March 2024	1,843.17
As at 31 March 2025	1,531.88

Notes:

i) Refer note 53 for disclosures under Ind AS 116.

ii) This represents impact on account of transition to Ind AS.



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8 Other intangible assets and Goodwill

Particulars	Softwares	Goodwill	Total
Gross carrying amount (deemed cost)			
As at 1 April 2022	26.73	84.58	111.31
Additions during the year	0.55	-	0.55
Disposals during the year	-	-	-
As at 31 March 2023	27.28	84.58	111.86
Additions during the year	-	-	-
Disposals during the year	-	-	-
As at 31 March 2024	27.28	84.58	111.86
Additions during the year	-	-	-
Disposals during the year	-	-	-
As at 31 March 2025	27.28	84.58	111.86
Accumulated amortisation			
As at 1 April 2022	-	-	-
Amortisation for the year	4.41	-	4.41
Disposal of assets	-	-	-
As at 31 March 2023	4.41	-	4.41
Amortisation for the year	3.08	-	3.08
Disposal of assets	-	-	-
As at 31 March 2024	7.49	-	7.49
Amortisation for the year	3.08	-	3.08
Disposal of assets	-	-	-
Impairment (Refer notes below)	-	14.45	14.45
As at 31 March 2025	10.57	14.45	25.02
Net carrying amount			
As at 31 March 2023	22.87	84.58	107.45
As at 31 March 2024	19.79	84.58	104.37
As at 31 March 2025	16.71	70.13	86.84

Notes:

i) Goodwill was accounted for at the time of acquisition of the business and brands - 'Pernia's Pop-Up', 'Wendell Rodricks' and 'Hemant Trevedi', which were prior to 1 April 2022. The said goodwill represents the excess of the purchase consideration paid over the net assets acquired by the Holding Company.

ii) During the year ended 31 March 2025, the Group has witnessed a decline in revenue related to the product lines of 'Wendell Rodricks' and 'Hemant Trevedi', which also has had an impact on the margins and net cash flow generated from the said product lines. Hence, in view of the same, the Group has fully impaired the goodwill related to these product lines.

iii) In relation to 'Pernia's Pop-Up' brand, the Group has witnessed consistent growth in revenue and the margins are in line with the forecasts. Hence, the recoverable amount is estimated to exceed the net carrying amount. Accordingly, the Group has decided not to take any impairment in relation to 'Pernia's Pop-Up'.



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(₹ in million, except for share data and, if otherwise stated)

9 Investments

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Investment in equity instruments - carried at fair value through Profit and Loss (FVTPL) - (Unquoted, fully paid up)			
- Pinkcow Designs Private Limited 1,625 (31 March 2024: 1,625 and 31 March 2023: 1,625) shares of ₹10 each (Refer note i below)	6.50	6.50	6.50
Less: Impairment allowance	(6.50)	(6.50)	(6.50)
- Landcraft Retail Private Limited Nil (31 March 2024: 262 and 31 March 2023: Nil) shares of ₹1,000 each (Refer note ii below)	-	26.20	-
Total	-	26.20	-
Other disclosures for investments:			
- Aggregate amount of quoted investments	-	-	-
- Aggregate amount of unquoted investments	6.50	32.70	6.50
- Aggregate amount of impairment in value of investments	(6.50)	(6.50)	(6.50)

Notes:

- The Group had acquired 1,625 equity shares of Pinkcow Designs Private Limited. As part of impairment assessment, the Group had impaired the said investment in the year ended 31 March 2023.
- Pursuant to the board resolutions passed on 18 July 2023 and 22 November 2023, the Group had acquired a total of 262 equity shares of Landcraft Retail Private Limited. Subsequently, pursuant to the board resolution passed on 3 March 2025, the Group has sold the entire investment and the resultant gain has been recognised in profit and loss.
- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- Refer note 50 for disclosures pertaining to financial risk management.

10 Non-current financial asset - loans

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good			
Loan to employees	1.14	1.22	0.37
Total	1.14	1.22	0.37

Notes:

- In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10 March, 2015, loans given to employees as per the Group's policy are not considered for the purposes of disclosure under Section 186(4) of the Act.
- There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at 31 March 2025 (Nil as at 31 March 2024 and Nil as at 31 March 2023).
- There are no loans due by directors or other officers of the Group or any of them, either severally or jointly with any other persons, or amounts due by firms or private companies in which any director is a partner or a director or a member.
- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- Refer note 50 for disclosures pertaining to financial risk management.

11 Other non-current financial assets

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good			
Security deposits	361.50	173.81	138.90
Total	361.50	173.81	138.90

Notes:

- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- Refer note 50 for disclosures pertaining to financial risk management.

12 Income tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Income tax assets [Refer note 42 (c)]	7.29	6.65	4.73
Total	7.29	6.65	4.73

Note:

The above amount is net of provision for income tax amounting to Nil as at 31 March 2025 (31 March 2024: Nil, 31 March 2023: Nil). The amount as at 31 March 2025 includes ₹ 1.76 million paid under protest (31 March 2024: Nil, 31 March 2023: Nil).



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13 Other non-current assets

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balances with government authorities (net)	59.72	31.63	121.35
Capital advances (Refer note below)	11.30	-	-
Prepaid expenses	0.04	-	-
Total	71.06	31.63	121.35

Note:

There are no advances to directors or other officers of the Group, or any of them either severally or jointly with any other persons, or advances to firms or private companies respectively in which any director is a partner or a director or a member.

14 Inventories

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Raw materials	5.31	5.98	5.14
Work-in-progress	-	3.38	2.90
Finished goods	13.84	19.14	27.67
Stock-in-trade (includes goods-in-transit inventory amounting to ₹ 10.13 million (31 March 2024: ₹ 22.57 million; 31 March 2023: Nil))	1,584.23	1,375.51	835.34
Total	1,603.38	1,404.01	871.05

Notes:

i) During the year ended 31 March 2025, the Group has accounted for a provision for inventory obsolescence amounting to ₹ 2.42 million for finished goods (31 March 2024 ₹ 11.56 million and 31 March 2023 : ₹ 1.43 million) and ₹ 102.88 million for stock-in-trade (31 March 2024 ₹ 81.20 million and 31 March 2023 : ₹ 22.20 million) on account of inventory whose net realisable value is lower than the cost.

ii) For inventory hypothecated towards borrowings, refer note 23.

iii) For method of valuation of each class of inventories refer note 3.

15 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good			
-Others	12.75	8.84	21.74
Credit impaired	0.01	0.03	0.06
Less: Expected credit loss	(0.01)	(0.03)	(0.06)
Total	12.75	8.84	21.74

Notes:

i) For trade receivables ageing, refer note 54. For movement in expected credit loss, refer note 50A.

ii) For trade receivables hypothecated towards borrowings, refer note 23.

iii) There are no trade receivables having significant increase in credit risk as at 31 March 2025 (31 March 2024: Nil, 31 March 2023: Nil)

iv) Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.

v) Refer note 50 for disclosures pertaining to financial risk management.

16 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Cash on hand	15.25	6.88	5.03
Balance with banks			
- in current accounts	88.53	25.03	70.66
Total	103.78	31.91	75.69

Notes:

i) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting periods.

ii) Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.

iii) Refer note 50 for disclosures pertaining to financial risk management.



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17 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	1.01	1.01	-
Total	1.01	1.01	-

Notes:

- The fixed deposits have been kept as lien for credit card availed by the Group
- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- Refer note 50 for disclosures pertaining to financial risk management.

18 Current financial asset - loans

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good			
Loan to employees	5.33	4.70	2.29
Total	5.33	4.70	2.29

Notes:

- In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10 March, 2015, loans given to employees as per the Group's policy are not considered for the purposes of disclosure under Section 186(4) of the Act.
- There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at 31 March 2025 (Nil as at 31 March 2024 and Nil as at 31 March 2023).
- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- There are no loans due by directors or other officers of the Group or any of them, either severally or jointly with any other persons, or amounts due by firms or private companies in which any director is a partner or a director or a member.
- Refer note 50 for disclosures pertaining to financial risk management.

19 Other current financial assets

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good			
Security deposits	84.66	9.73	19.09
Other receivables*	66.26	54.79	41.75
Total	150.92	64.52	60.84

*Other receivables include amounts paid by the end customers which are pending to be settled by payment gateways.

Notes:

- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- Refer note 50 for disclosures pertaining to financial risk management.

20 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balances with government authorities (net)	516.32	434.49	302.66
Advances to suppliers (Refer note below)	132.40	83.39	176.42
Prepaid expenses	39.10	18.17	3.30
Total	687.82	536.05	482.38

Note:

There are no advances to directors or other officers of the Group, or any of them either severally or jointly with any other persons, or advances to firms or private companies respectively in which any director is a partner or a director or a member.



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21 Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount	Number	Amount
Authorised share capital						
Equity shares of ₹ 10 each	1,00,000	1.00	1,00,000	1.00	1,00,000	1.00
0.001% Compulsorily Convertible Preference Shares ("CCPS") of ₹ 10 each	1,50,000	1.50	1,50,000	1.50	1,50,000	1.50
0.001% Class 1 Compulsorily Convertible Preference shares ("Class 1 CCPS") of ₹ 10,000 each	8,000	80.00	8,000	80.00	2,000	20.00
Issued, subscribed and fully paid up shares						
Equity shares of ₹ 10 each	30,930	0.31	19,068	0.19	19,068	0.19
Issued, subscribed and partly paid up shares						
Equity shares of ₹ 10 each paid upto ₹ 9 each (partly paid)	11,000	0.10	11,000	0.10	11,000	0.10
Total	41,930	0.41	30,068	0.29	30,068	0.29

I) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount	Number	Amount
Equity shares of ₹ 10 each						
Fully paid-up						
Balance at the beginning of the year	19,068	0.19	19,068	0.19	16,496	0.16
Add : Issued during the year	2,965	0.03	-	-	1,692	0.02
Add : CCPS converted into equity shares	8,797	0.09	-	-	880	0.01
Add : Class 1 CCPS converted into equity shares	100	0.00	-	-	-	-
Balance at the end of the year (A)	30,930	0.31	19,068	0.19	19,068	0.19
Partly paid-up						
Balance at the beginning of the year	11,000	0.10	11,000	0.10	11,000	0.10
Movement during the year	-	-	-	-	-	-
Balance at the end of the year (B)	11,000	0.10	11,000	0.10	11,000	0.10
Total (A)+(B)	41,930	0.41	30,068	0.29	30,068	0.29

(0.00 represents amounts below ₹ 5,000 in absolute terms)

Notes:

i) During the year ended 31 March 2024, vide approval of the shareholders at their meeting held on 4 May 2023, the Holding Company has increased its authorised share capital for Class 1 CCPS of ₹ 10,000 each from ₹ 20.00 million to ₹ 80.00 million, thereby also increasing the aggregate authorised capital of the Holding Company from ₹ 22.5 million to ₹ 82.5 million.

ii) Pursuant to the board resolutions as mentioned below, the Holding Company has allotted following equity shares by way of fresh issue and/or conversion:

Particulars	Board resolution date	No. of shares	Face value per share	Securities premium per share
For the year ended 31 March 2023				
Fresh issue				
Equity shares of ₹ 10 each	02-Jun-22	992	10	1,54,990
Equity shares of ₹ 10 each	07-Aug-22	700	10	1,54,990
Total		1,692		
Conversion				
CCPS into equity shares	23-Feb-23	600	10	-
CCPS into equity shares	16-Mar-23	280	10	-
Total		880		
For the year ended 31 March 2025				
Fresh issue				
Equity shares of ₹ 10 each	26-Jun-24	229	10	4,99,990
Equity shares of ₹ 10 each	29-Jul-24	51	10	4,99,990
Equity shares of ₹ 10 each	15-Nov-24	720	10	4,99,990
Equity shares of ₹ 10 each	30-Dec-24	1,035	10	4,99,990
Equity shares of ₹ 10 each	13-Mar-25	930	10	4,99,990
		2,965		



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Particulars	Board resolution date	No. of shares	Face value per share	Securities premium per share
Conversion				
CCPS into equity shares	27-Jun-24	560	10	-
CCPS into equity shares	15-Jul-24	220	10	-
CCPS into equity shares	02-Aug-24	440	10	-
CCPS into equity shares	14-Aug-24	3,143	10	-
CCPS into equity shares	06-Sep-24	440	10	-
CCPS into equity shares	10-Oct-24	1,938	10	-
CCPS into equity shares	05-Nov-24	2,056	10	-
CCPS into equity shares	05-Nov-24	100	10	9,990
Class 1 CCPS into equity shares		8,897		

Note:

Subsequent to the year ended 31 March 2025, pursuant to the board resolution dated 9 June 2025, the Holding Company has further converted 20,543 CCPS of ₹10 each and 1,845 Class 1 CCPS ₹10,000 each into 22,388 equity shares of ₹ 10 each in the ratio of 1:1, thereby increasing the paid up equity share capital of the Holding Company to ₹ 0.63 million comprising of 53,318 equity shares of ₹ 10 each fully paid and 11,000 equity shares of ₹ 10 each paid upto ₹ 9 each.

II) Details of shareholders holding more than 5% of equity shares in the Holding Company

Particulars	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Number	%	Number	%	Number	%
Equity share of ₹ 10 each (including partly paid-up shares)						
Abhishek Agarwal	20,000	47.70%	20,457	68.04%	21,122	70.25%
Abhinav Agarwal	1,800	4.29%	1,950	6.49%	2,005	6.67%
	21,800	51.99%	22,407	74.53%	23,127	76.92%

III) Details of equity shares held by the promoter at the end of the year

Particulars	Number of shares as at 31 March 2025	% of total shares as at 31 March 2025	Number of shares as at 31 March 2024	% of total shares as at 31 March 2024	% change during the year ended 31 March 2025*	Number of shares as at 31 March 2023	% of total shares as at 31 March 2023	% change during the year ended 31 March 2024*
Abhishek Agarwal	20,000	47.70%	20,457	68.04%	(20.34%)	21,122	70.25%	(2.21%)

*The % change is calculated based on the change with respect to the total equity shareholding of the Holding Company

IV) Terms attached to equity shares

The Holding Company has one class of equity shares having a face 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.

V) 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 reporting date

The Holding Company and its subsidiaries have neither issued any bonus shares or shares for consideration other than cash nor has there been any buy back of shares in the last five years.

VI) Shares reserved for issue under options and contracts or commitments for the sale of shares

As on 31 March 2025, the Holding Company has reserved 26,305 equity shares for conversion against compulsorily convertible preference shares (31 March 2024: 35,202 shares, 31 March 2023: 34,525). Refer note 22A for the terms attached to the compulsorily convertible preference shares.

Separately, as at 31 March 2025, the Holding Company has reserved 4,332 equity shares for the employee stock options granted under ESOP Scheme 2024 (31 March 2024: Nil, 31 March 2023: Nil). Refer note 46 for details.



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22 Other equity

A. Equity component of compulsorily convertible preference shares

Particulars	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount	Number	Amount
Issued, subscribed and fully paid up shares						
CCPS of ₹ 10 each	24,435	0.24	33,232	0.33	33,232	0.33
Class 1 CCPS of ₹ 10,000 each	1,870	18.70	1,970	19.70	1,293	12.93
Total	26,305	18.94	35,202	20.03	34,525	13.26

I) Reconciliation of compulsorily convertible preference shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount	Number	Amount
CCPS of ₹ 10 each						
Fully paid up						
Balance at the beginning of the year	33,232	0.33	33,232	0.33	32,386	0.33
Add: Issued during the year	-	-	-	-	1,319	0.01
Less: Converted during the year into equity shares	(8,797)	(0.09)	-	-	(880)	(0.01)
Add: Transferred from partly paid to fully paid	-	-	-	-	407	0.00
Balance at the end of the year (A)	24,435	0.24	33,232	0.33	33,232	0.33
Partly paid up						
Balance at the beginning of the year	-	-	-	-	407	0.00
Less: Transferred to fully paid up	-	-	-	-	(407)	(0.00)
Balance at the end of the year (B)	-	-	-	-	-	-
Class 1 CCPS of ₹ 10,000 each						
Fully paid up						
Balance at the beginning of the year	1,970	19.70	1,293	12.93	-	-
Add: Issued during the year	-	-	677	6.77	1,293	12.93
Less: Converted during the year into equity shares	(100)	(1.00)	-	-	-	-
Balance at the end of the year (C)	1,870	18.70	1,970	19.70	1,293	12.93
Total (A) + (B) + (C)	26,305	18.94	35,202	20.03	34,525	13.26

(0.00 represents amounts below ₹ 5,000 in absolute terms)

Note:

Pursuant to the board resolutions as mentioned below, the Holding Company has issued and allotted preference shares by way of fresh issue and has converted preference shares into equity shares of ₹ 10 each:

Particulars	Board resolution date	No. of shares	Face value per share	Securities premium per share
For the year ended 31 March 2023				
Fresh issue				
CCPS of ₹10 each	28-May-22	1,319	10	1,54,990
Class 1 CCPS of ₹10,000 each	08-Oct-22	255	10,000	2,98,000
Class 1 CCPS of ₹10,000 each	30-Nov-22	338	10,000	2,98,000
Class 1 CCPS of ₹10,000 each	16-Feb-23	700	10,000	2,98,000
CCPS (Transferred from partly paid to fully paid) of ₹10 each	30-Jun-22	130	10	56,990
CCPS (Transferred from partly paid to fully paid) of ₹10 each	16-Feb-23	277	10	56,990
Total		3,019		
For conversion of preference shares during the year, refer note (ii) of Note 21(I)				
For the year ended 31 March 2024				
Fresh issue				
Class 1 CCPS of ₹10,000 each	05-Jul-23	381	10,000	4,40,000
Class 1 CCPS of ₹10,000 each	31-Aug-23	180	10,000	4,40,000
Class 1 CCPS of ₹10,000 each	30-Oct-23	116	10,000	4,40,000
Total		677		
For the year ended 31 March 2025				
For conversion of preference shares during the year, refer note (ii) of Note 21(I)				



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II) Details of shareholders holding more than 5% of compulsorily convertible preference shares in the Holding Company

Particulars	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Number	%	Number	%	Number	%
CCPS of ₹ 10 each						
Jitender Kumar Bansal	2,395	9.80%	2,395	7.21%	2,395	7.21%
Mukul Mahavir Agrawal (Refer note i below)	-	-	2,000	6.02%	2,000	6.02%
Volrado Venture Partners Fund II	2,025	8.29%	2,000	6.02%	2,000	6.02%
	4,420	18.09%	6,395	19.25%	6,395	19.25%
Class 1 CCPS of ₹ 10,000 each						
Singularity Growth Opportunities Fund I	500	26.74%	500	25.38%	500	38.67%
Kalpraj Damji Dharamshi jointly with Hina Kalpraj Dharamshi	200	10.70%	200	10.15%	200	15.47%
Signet Capital Private Limited	156	8.34%	156	7.92%	-	-
Mrudula Sushilkumar Parekh	150	8.02%	150	7.61%	-	-
Ramrod Advisors LLP	100	5.35%	100	5.08%	100	7.73%
VR Sikka Consulting Private Limited (Refer note ii below)	-	-	80	4.06%	80	6.19%
Astarc Ventures Private Trust (Refer note ii below)	50	2.67%	70	3.55%	70	5.41%
KP Sanghvi Infrastructures LLP	100	5.35%	100	5.08%	-	-
	1,256	67.17%	1,356	68.83%	950	73.47%

Notes:

- Pursuant to the board resolution dated 15 July 2024, 2 August 2024 and 14 August 2024, 2,000 CCPS held by Mukul Mahavir Agrawal were converted into 2,000 equity shares of ₹ 10 each.
- Pursuant to the board resolution dated 5 November 2024, 80 Class 1 CCPS held by VR Sikka Consulting Private Limited and 20 Class 1 CCPS held by Astarc Ventures Private Trust were converted into 100 equity shares of ₹ 10 each.

III) Details of compulsorily convertible preference shares held by the promoter at the end of the year

Particulars	Number of shares as at 31 March 2025	% of total shares as at 31 March 2025	Number of shares as at 31 March 2024	% of total shares as at 31 March 2024	% change during the year ended 31 March 2025	Number of shares as at 31 March 2023	% of total shares as at 31 March 2023	% change during the year ended 31 March 2024
Abhishek Agarwal	-	-	106	0.32%	(0.32%)	61	0.18%	0.14%

Notes:

- The % change is calculated based on the change in respect to the total shareholding of the Holding Company.
- Pursuant to the board resolution dated 14 August 2024, 106 CCPS of Abhishek Agarwal were converted into 106 equity shares of ₹ 10 each.

IV) Terms attached to compulsorily convertible 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 or such other period as otherwise provided in the terms of the issuance. The shareholders are also entitled to get the CCPS and Class 1 CCPS converted to equity shares by requesting the Company at any time prior to above mentioned time. Each CCPS and Class 1 CCPS shall be converted into 1 equity share of the Company as per the terms of the shareholders agreement entered into between the Company and its shareholders (subject to proportionate adjustment in the ratio in case of any split of shares or bonus issuance). The shareholders holding CCPS and Class 1 CCPS are also entitled to receive 0.001% dividend on cumulative basis.

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B. Retained earnings

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	(2,343.59)	(1,864.06)	(1,448.83)
Add: Profit/(loss) for the year	(1,885.50)	(477.10)	(413.89)
Add: Other comprehensive income/(loss) for the year	(1.37)	(2.43)	(1.34)
Balance at the end of the year	(4,230.46)	(2,343.59)	(1,864.06)

C. Employee stock option reserve

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	-	202.82
Add: Employee stock options granted during the year (Refer note 46)	1,227.68	-	-
Less: Reversal of excess compensation expense (Refer note 46)	-	-	(106.47)
Less :Transfer to securities premium on account of exercise of employee stock options.	-	-	(96.35)
Balance at the end of the year	1,227.68	-	-

D. Securities premium

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	2,750.61	2,453.30	1,744.02
Add : Addition during the year on issue of CCPS	-	-	204.43
Add : Addition during the year on call of partly paid CCPS	-	-	23.19
Add : Addition during the year on issue of Class 1 CCPS	-	297.88	385.31
Add : Conversion of Class 1 CCPS into equity shares of ₹ 10 each	1.00	-	-
Add : Issuance of equity shares of ₹ 10 each	1,482.47	-	-
Add : Issuance of equity shares to employees via employee stock option scheme	-	-	96.35
Less : Expenses incurred on issue of shares	(39.23)	(0.57)	-
Balance at the end of the year	4,194.85	2,750.61	2,453.30

E. Foreign currency translation reserve

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	(18.57)	(9.95)	(9.96)
Add: Addition/(deletion) during the year	(5.88)	(8.62)	0.01
Balance at the end of the year	(24.45)	(18.57)	(9.95)
Total (A +B+C+D+E)	1,186.56	408.48	592.55

Nature and purpose of items of other equity:

i) Equity component of convertible preference shares:

The Holding Company has issued certain compulsorily convertible instruments referred above carrying a cumulative dividend rate of 0.001% p.a. No dividend has been declared and/or paid during the reporting years.

ii) Retained earnings:

This represents the cumulative profits and losses of the Group and effects of remeasurement of defined benefit obligations.

iii) Employee stock option reserve:

This represents the fair value at respective grant dates of stock options granted to the employees of the Group and outstanding for vesting/exercise, under employee stock option scheme. This balance will be transferred to share capital and security premium account as and when the options are exercised from time to time or to retained earnings in the event the employee stock options are forfeited or lapsed.

iv) Securities premium:

This represents the excess of issue price of shares over their face value. This reserve will be utilised in accordance with the provisions of the Act.

v) Foreign currency translation reserve:

This represents accumulation of exchange differences arising on translation of foreign operations recognised in other comprehensive income. The balance in this reserve shall be reclassified to Special Purpose Consolidated Statement of Profit and Loss when net investment is disposed off or classified as held for sale.



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23 Borrowings

Borrowings (non-current)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Secured			
Term loan from banks - vehicle loan (Refer note 23.1)	0.09	0.20	0.30
Non-convertible debentures (Refer note 23.2)	1,121.50	940.00	393.63
Add: Interest accrued but not due on debentures	6.32	5.62	2.30
Less: Current maturities of secured borrowings (classified in current borrowings)	(1,127.91)	(945.73)	(396.03)
Unsecured			
Loans from companies having original maturity of more than 12 months (Refer note 23.3)	-	110.45	-
Less: Current maturities of unsecured borrowings (classified in current borrowings)	-	(100.45)	-
Total	-	10.09	0.20

Borrowings (current)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Secured			
- Current maturities of term loan from bank (Refer note 23.1)	0.09	0.11	0.10
- Current maturities of non convertible debentures (Refer note 23.2)	1,127.82	945.62	395.93
Unsecured			
Current maturities of unsecured non-current borrowings from companies	-	100.45	-
Loans from companies and others having original maturity of less than 12 months (Refer note 23.3 below)	-	107.00	71.06
Total	1,127.91	1,153.18	467.09

23.1 Nature of security and terms of repayment for secured borrowings

Details of and purpose of the loan	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	Terms of repayment	Rate of interest (p.a.)
Term loans from bank - vehicle loan					
The loan is secured by charge over the motor vehicle financed through such borrowing.	0.09	0.20	0.30	60 equated monthly instalments from the date of disbursement.	7.95%

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23.2 Nature of security and terms of secured borrowings

Details of the loan	Amount as at 31 March 2025	Amount as at 31 March 2024	Amount as at 31 March 2023	Security given	Rate of interest (p.a.)
Secured non-convertible debentures ("NCDs") issued by PSL Retail Private Limited					
Series A NCDs	-	-	41.25	The outstanding balance payable with respect to the NCDs are secured by way of pari passu first charge over the inventory.	10.00%
Series B NCDs	-	-	58.08		16.50%
Series C NCDs	-	-	104.00		15.00%
Series D NCDs	-	-	157.30		15.00%
Series E NCDs	-	8.00	33.00		15.00%
Series F NCDs	-	159.00	-	The outstanding balance payable with respect to the NCDs are secured by way of pari passu first charge over the movable assets of PSL Retail Private Limited including inventory, book debts, furniture and fixture, movable plant and machinery including vehicle, equipments, computer etc, movable assets in the course of transit or delivery. Further, the Holding Company has provided guarantee for Series F, Series G and Series H NCDs issued by PSL Retail Private Limited, a subsidiary.	15.00%
Series G NCDs	-	89.50	-		15.00%
Series H NCDs	-	106.60	-		15.00%
Series I NCDs	-	166.10	-		15.00%
Series J NCDs	-	145.30	-		15.00%
Series K NCDs	-	265.50	-		15.00%
Series L NCDs	338.50	-	-		15.00%
Series M NCDs	35.00	-	-		15.00%
Series N NCDs	127.00	-	-		15.00%
Series O NCDs	193.50	-	-		15.00%
Series P NCDs	272.50	-	-		15.00%
Series Q NCDs	155.00	-	-		15.00%
Total (Principal amount)	1,121.50	940.00	393.63		

Terms of repayment of NCDs

- Series A & B NCD: a) 12 equated monthly instalments from the date of disbursement; b) Series A had a term of 370 days and Series B had a term of 380 days from the date of allotment.
- Series C, D & E NCD: a) Interest payable on a monthly basis b) Principal amount payable on maturity which is 370 days from allotment.
- Series F NCD: a) Interest payable on a monthly basis b) Principal amount payable in 2 equal tranches out of which 50% was repaid after the expiry of 6 months from the date of allotment and balance 50% was repaid at the end of the debenture term.
- Series G to Q NCD: a) Interest payable on a monthly basis b) Principal amount payable on maturity which is 370 days from allotment.

Note:

Debenture redemption reserve is not required to be created as PSL Retail Private Limited, a subsidiary, does not have adequate profits for the creation of such reserve.

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23.3 Details of lenders and terms of unsecured borrowings

Name of lenders	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	Repayment terms	Rate of interest (p.a.)
Unsecured borrowings - long term					
From companies	-	100.33	-	Interest payable on a monthly basis and principal repayable on expiry of term on 31 March 2025. The entire debt was, however, repaid before the end of tenure.	16.50%
	-	10.12	-	Interest payable on a monthly basis and principal amount was repayable on expiry of term on 17 August 2025. The entire debt was, however, repaid before the end of tenure.	16.50%
Unsecured borrowings - short term					
From companies	-	-	60.37	Interest payable on a monthly basis and as per addendum dated 16 March 2023, principal repayable on expiry of term on 12 September 2023. However, the term was subsequently extended to 31 March 2025 and repaid prior to end of latest tenure.	16.50%
	-	6.01	-	Interest and principal amount payable on maturity. The term was till 31 December 2024 but the debt was fully repaid prior to end of tenure.	15.00%
	-	13.23	-	Interest and principal amount payable on maturity. The term was till 31 March 2025 but the debt was fully repaid prior to end of tenure.	15.00%
	-	20.04	-	Interest was payable on mutually agreed intervals and the principal was payable on maturity. The term was till 31 October 2024 but the debt was fully repaid prior to end of tenure.	16.50%
	-	67.72	-	6 Equated monthly instalments from the date of disbursement. This loan was repaid in full on 6 September 2024. Further, Holding Company had provided guarantee for this borrowing.	15.00%
From others	-	-	3.06	Interest and principal amount payable on 24 July 2023.	12.00%
	-	-	7.63	Interest and principal amount payable on 25 August 2023.	10.00%
Total	-	217.45	71.06		

23.4 The Group has not defaulted in repayment of borrowings or payment of interest thereon during the reporting periods. The borrowings have been utilised for the purposes for which they were availed.



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24 Reconciliation of liabilities arising from financing activities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Lease liabilities (current and non-current)	1,743.90	1,933.43	1,213.73
Borrowings (current and non-current)	1,127.91	1,163.27	467.29

Particulars	Lease liabilities	Borrowings	Total
Balance as at 1 April 2022	747.84	239.95	987.79
Proceeds from borrowings	-	1,045.52	1,045.52
Repayment of borrowings	-	(817.97)	(817.97)
Finance costs	156.32	75.30	231.62
Finance costs paid	(156.32)	(75.51)	(231.83)
Addition of lease liabilities	615.85	-	615.85
Payment of lease liabilities	(151.36)	-	(151.36)
Effect of exchange rate on translation of financing cashflows	1.40	-	1.40
Balance as at 31 March 2023	1,213.73	467.29	1,681.02
Proceeds from borrowings	-	1,535.61	1,535.61
Repayment of borrowings	-	(843.76)	(843.76)
Finance costs	236.38	140.09	376.47
Finance costs paid	(236.38)	(135.96)	(372.34)
Addition of lease liabilities	905.77	-	905.77
Payment of lease liabilities	(187.77)	-	(187.77)
Effect of exchange rate on translation of financing cashflows	1.70	-	1.70
Balance as at 31 March 2024	1,933.43	1,163.27	3,096.70
Proceeds from borrowings	-	1,869.92	1,869.92
Repayment of borrowings	-	(1,904.81)	(1,904.81)
Finance costs	273.15	221.98	495.13
Finance costs paid	(273.15)	(222.45)	(495.60)
Addition of lease liabilities	78.40	-	78.40
Payment of lease liabilities	(269.23)	-	(269.23)
Effect of exchange rate on translation of financing cashflows	1.30	-	1.30
Balance as at 31 March 2025	1,743.90	1,127.91	2,871.81

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25 Non-current lease liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Lease obligations (Refer note 53)	1,743.90	1,933.43	1,213.73
Less: Current maturities of lease obligations (Refer note 27)	(282.70)	(261.65)	(195.14)
Total	1,461.20	1,671.78	1,018.59

26 Provisions (non-current)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (Refer note 45)	25.36	17.41	10.23
Total	25.36	17.41	10.23

27 Current lease liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Lease obligations (Refer note 53)	282.70	261.65	195.14
Total	282.70	261.65	195.14

28 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
- Total outstanding dues of micro and small enterprises (Refer note below)	140.33	53.36	26.70
- Total outstanding dues of creditors other than micro and small enterprises	278.00	597.27	394.60
Total	418.33	650.63	421.30

Notes:

- Refer note 55 for trade payable ageing.
- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- Refer note 50 for disclosures pertaining to financial risk management.

Dues to micro and small enterprises pursuant to Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
There are no payables to micro and small enterprises which are overdue			
i) Principal amount remaining unpaid to any supplier.	140.33	53.36	26.70
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 have 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 to micro and small enterprises on account of any delays in payment of principal amount.



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29 Other current financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Capital creditors	3.85	15.86	7.75
Security deposits received	-	0.20	-
Employee related dues	4.77	8.26	36.98
Other payables (Refer notes i and ii below)	18.82	23.13	34.13
Total	27.44	47.45	78.86

Notes:

- Other payables majorly comprise of consideration received by the Group and available to the customers as store credit for future use.
- Other payables also include liability component of compulsorily convertible preference shares, which is an insignificant amount.
- Refer note 49 for classification of financial instruments by category and into fair value level of hierarchy.
- Refer note 50 for disclosures pertaining to financial risk management.

30 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	39.05	36.83	165.99
Revenue received in advance (Refer note ii below)	399.31	331.40	337.22
Deferred revenue (Refer note i and iii below)	8.90	4.48	7.99
Total	447.26	372.71	511.20

Notes:

- The deferred revenue relates to the accrual and utilisation of loyalty points according to the customer award credits/ points policy of the Group.

ii) Reconciliation of revenue received in advance

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	331.40	337.22	170.43
Add: Advance received during the year	5,364.07	5,262.01	4,007.12
Less: Revenue recognised/ adjusted during the year	(5,296.16)	(5,267.83)	(3,840.33)
Balance at the end of the year	399.31	331.40	337.22

iii) Reconciliation of deferred revenue

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	4.48	7.99	-
Add: Revenue deferred during the year	8.90	4.48	7.99
Less: Revenue recognised/ adjusted during the year	(4.48)	(7.99)	-
Balance at the end of the year	8.90	4.48	7.99

31 Provisions (current)

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (Refer note 45)	5.34	3.85	2.00
Total	5.34	3.85	2.00



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32 Revenue from operations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Sale of goods	4,833.91	4,888.50	3,222.83
Sale of services	65.18	155.23	469.10
Total	4,899.09	5,043.73	3,691.93

Note:

Refer note 52 for additional details.

33 Other income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on financial assets measured at amortised cost			
- on fixed deposits	0.07	0.06	-
- on loans to employees	0.31	0.21	0.15
- on lease deposits	26.21	19.03	13.34
Interest on income tax refund	0.29	0.23	0.15
Other non-operating income			
Fair value gain on financial asset carried at FVTPL	3.93	15.67	5.61
Foreign exchange gain (net)	6.09	12.10	2.48
Miscellaneous income	4.02	9.30	0.09
Total	40.92	56.60	21.82

34 Cost of materials consumed

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Raw material at the beginning of the year	5.98	5.14	4.18
Add: Purchases during the year	12.23	33.15	65.46
Less: Raw material at the end of the year	(5.31)	(5.98)	(5.14)
Cost of materials consumed during the year	12.90	32.31	64.50

35 Purchases of stock-in-trade

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Purchases of traded goods	3,025.87	3,474.80	2,682.54
Total	3,025.87	3,474.80	2,682.54

36 Changes in inventories of finished goods, work in progress and stock-in-trade

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the beginning of the year			
Finished goods	19.14	27.67	8.35
Work-in-progress	3.38	2.90	1.26
Stock-in-trade	1,375.51	835.34	255.95
Inventories at the end of the year			
Finished goods [Net of provision of ₹ 2.42 million (31 March 2024: ₹ 11.56 million and 31 March 2023: ₹ 1.43 million)]	13.84	19.14	27.67
Work-in-progress	-	3.38	2.90
Stock-in-trade (Net of provision of ₹ 102.88 million [31 March 2024: ₹ 81.20 million and 31 March 2023: ₹ 22.20 million])	1,584.23	1,375.51	835.34
Total	(200.04)	(532.12)	(600.35)



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37 Employee benefits expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	618.55	549.76	412.00
Contribution to provident fund and other funds (Refer note 45B)	13.03	12.05	9.01
Gratuity expenses (Refer note 45A)	8.85	7.20	4.56
Staff welfare expenses	21.65	17.85	15.80
Total	662.08	586.86	441.37

Note:

Refer note 47 for remuneration paid to directors.

38 Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Interest on financial liabilities measured at amortized cost			
- non-convertible debentures	165.38	116.44	23.02
- others	56.60	23.65	52.28
- lease liabilities (Refer note 53)	273.15	236.38	156.32
Interest on late payment of statutory dues	0.23	0.05	9.50
Other borrowing costs*	34.37	31.05	9.48
Total	529.73	407.57	250.60

*Majorly includes expenses of fees and charges towards availment of borrowings.

39 Depreciation and amortisation expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (Refer note 5)	128.22	41.02	30.93
Amortisation on intangible assets (Refer note 8)	3.08	3.08	4.41
Depreciation of right of use assets (Refer note 7)	402.22	341.71	256.38
Impairment of goodwill (Refer note 8)	14.45	-	-
Total	547.97	385.81	291.72

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40 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Travel and conveyance expenses	23.94	21.58	23.06
Office and administrative expenses	6.33	14.68	6.65
Repair and maintenance charges	40.76	30.47	23.11
Bank charges	5.49	1.23	0.47
Legal and professional charges*	78.74	45.82	64.73
Housekeeping and security charges	54.67	48.38	31.50
Packing material	21.66	19.97	17.84
Utilities expenses	59.45	46.64	34.86
Royalty charges	-	0.27	0.85
Brokerage and commission	-	1.84	1.06
Rates and taxes	9.78	11.62	22.22
Rent expenses (Refer note 53)	40.96	12.58	17.21
Sales and marketing expenses	331.68	541.13	475.37
Printing and stationery	7.29	12.65	10.52
Insurance expenses	3.43	2.24	1.85
Technology expenses	34.26	37.47	32.23
Payment gateway charges	79.91	87.29	70.59
Courier and shipping charges	213.50	276.35	255.39
Impairment of investment	-	-	6.50
Loss on sale of property, plant and equipment (net)	-	0.09	-
Bad debt written off	1.36	3.28	0.04
Miscellaneous expenses	6.11	6.62	7.68
Total	1,019.32	1,222.20	1,103.73

*Refer note 47 for professional fees paid to directors.

41 Exceptional item - expense/ (income)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Employee share based payment expense (Refer note i below)	1,227.68	-	-
Reversal of share based payment expense (Refer note ii below)	-	-	(106.47)
Total	1,227.68	-	(106.47)

Notes:

i) This pertains to employee compensation expenses accounted towards grant of employee stock options to eligible employees of the Group. The expense is recognized in the Statement of Profit and Loss over the vesting period, with a corresponding increase in equity. The fair value of the employee stock options is measured at the grant date. Also refer note 46 for additional details.

ii) This pertains to reversal of residual cost lying in share based payment reserve after exercise of all the employee stock options by the respective employees.



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42 Current tax and deferred tax

(a) Income tax expense through the Special Purpose Consolidated Statement of Profit and Loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Current tax			
Current tax for the year	-	-	-
Total current tax expense	-	-	-
Deferred taxes			
Change in deferred tax assets (DTA)	(3.76)	(1.42)	0.65
Change in deferred tax liabilities (DTL)	(3.76)	(1.42)	0.65
Net deferred tax expense	-	-	-
Total income tax expense	-	-	-

(b) Income tax on other comprehensive income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
On remeasurement of defined benefit plan	-	-	-
Total	-	-	-

(c) Movement in income tax asset/ (liability) is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Opening balance (net)	6.65	4.73	3.29
Income tax expenses (current and earlier period)	-	-	-
Income tax paid	7.05	6.48	4.63
Income tax refund received	(6.41)	(4.56)	(3.19)
Closing balance	7.29	6.65	4.73

d) Reconciliation of expected income tax based on domestic effective tax rate of the Holding Company and tax expenses reported in the Special Purpose Consolidated Statement of Profit and Loss:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Profit/(loss) before tax	(1,885.50)	(477.10)	(413.89)
Tax rate applicable to the Holding Company	25.17%	25.17%	31.20%
Expected income tax expense	(474.54)	(120.08)	(129.13)
Tax effect of losses carried forward/ (set off)	474.54	120.08	129.13
Total tax expense	-	-	-

Note:

During the year ended 31 March 2024, the Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 and re-measured its tax assets and liabilities basis the rate prescribed in the said provision. The rate prescribed under Section 115BAA is 22% as increased by applicable surcharge (10%) and cess (4%) i.e. 25.17%.



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e) Movement in deferred tax assets and deferred tax liabilities from 1 April 2024 to 31 March 2025:

Particulars	As at 1 April 2024	Increase / (decrease)	As at 31 March 2025
Deferred tax liabilities on account of:			
Property, plant and equipment and intangible assets	2.39	(1.66)	0.73
Financial assets measured at FVTPL	2.31	(2.31)	-
Others	0.34	0.21	0.55
Total deferred tax liabilities (A)	5.04	(3.76)	1.28
Deferred tax assets on account of:			
Right of use assets and lease liabilities (net)	27.84	38.25	66.09
Property, plant and equipment and intangible assets	6.05	19.99	26.04
Employee benefits	5.59	2.56	8.15
Carried forward losses and unabsorbed depreciation	532.06	420.17	952.23
Financial assets measured at FVTPL	-	1.64	1.64
Financial assets measured at amortized cost	50.15	(4.50)	45.65
Others	0.01	(0.01)	0.00
Total deferred tax assets	621.70	478.10	1,099.80
Restricted to DTL (B)	5.04	(3.76)	1.28
Deferred tax assets (net) (B - A)	-		-

Movement in deferred tax assets and deferred tax liabilities from 1 April 2023 to 31 March 2024:

Particulars	As at 1 April 2023	Increase / (decrease)	As at 31 March 2024
Deferred tax liabilities on account of:			
Property, plant and equipment and intangible assets	5.95	(3.56)	2.39
Financial assets measured at FVTPL	-	2.31	2.31
Others	0.51	(0.17)	0.34
Total deferred tax liabilities (A)	6.46	(1.42)	5.04
Deferred tax assets on account of:			
Right of use assets and lease liabilities (net)	13.60	14.24	27.84
Property, plant and equipment and intangible assets	-	6.05	6.05
Employee benefits	3.81	1.78	5.59
Carried forward losses and unabsorbed depreciation	480.77	51.29	532.06
Financial assets measured at FVTPL	2.03	(2.03)	-
Financial assets measured at amortized cost	28.54	21.61	50.15
Others	0.02	(0.01)	0.01
Total deferred tax assets	528.77	92.93	621.70
Restricted to DTL (B)	6.46	(1.42)	5.04
Deferred tax assets (net) (B - A)	-		-



Movement in deferred tax assets and deferred tax liabilities from 1 April 2022 to 31 March 2023:

Particulars	As at 1 April 2022	Increase / (decrease)	As at 31 March 2023
Deferred tax liabilities on account of:			
Property, plant and equipment and intangible assets	5.34	0.61	5.95
Others	0.47	0.04	0.51
Total deferred tax liabilities (A)	5.81	0.65	6.46
Deferred tax assets on account of:			
Right of use assets and lease liabilities (net)	3.40	10.20	13.60
Employee benefits	1.98	1.83	3.81
Carried forward losses and unabsorbed depreciation	341.25	139.52	480.77
Financial assets measured at FVTPL	-	2.03	2.03
Financial assets measured at amortized cost	12.88	15.66	28.54
Others	0.00	0.02	0.02
Total deferred tax assets	359.51	169.26	528.77
Restricted to DTL (B)	5.81	0.65	6.46
Deferred tax assets (net) (B - A)	-		-

(0.00 represents amounts below ₹ 5,000 in absolute terms)

As per the Ind AS 12- 'Income Taxes', the Group would have net deferred tax assets amounting to ₹ 1,098.52 million as at 31 March 2025 (31 March 2024: ₹ 616.66 million and 31 March 2023: ₹ 522.31 million) comprising mainly of carried forward losses under tax laws. However, as subsequent realisation of such amount in the near future is not reasonably certain, management is of the view that it is prudent not to recognise deferred tax asset as at balance sheet date.

f) Below is the summary of unrecognised deferred tax assets in respect of the carried forward tax losses under tax laws:

Particulars	As at 31 March 2025			As at 31 March 2024			As at 31 March 2023		
	Base amount	Deferred tax	Expiry date	Base amount	Deferred tax	Expiry date	Base amount	Deferred tax	Expiry date
Business loss carried forward	679.58	173.50	Within 5 years	489.03	123.12	Within 5 years	344.37	107.44	Within 5 years
Business loss carried forward	2,369.14	676.24	Beyond 5 years	1,163.49	337.91	Beyond 5 years	895.21	279.30	Beyond 5 years
Unabsorbed depreciation carried forward	127.57	37.41	No expiry	71.14	20.79	No expiry	171.77	53.59	No expiry
Business loss carried forward - foreign subsidiary	342.52	65.08	No expiry	264.43	50.24	No expiry	212.81	40.44	No expiry
Total	3,518.81	952.23		1,988.09	532.06		1,624.16	480.77	

Note:

The base amount disclosed above is as per income tax records. The unused tax losses (other than unabsorbed depreciation) expire after 8 years from the respective financial years, for the entities incorporated in India.



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Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

43 Other comprehensive income/(loss)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Items that will not be reclassified to profit or loss			
Actuarial gain/(loss) on remeasurement of defined benefit obligations (Refer note 45)	(1.37)	(2.43)	(1.34)
Income taxes on above	-	-	-
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations	(5.88)	(8.62)	0.01
Income taxes on above	-	-	-
Total	(7.25)	(11.05)	(1.33)

44 Earnings/(losses) per share (EPS)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Net profit/(loss) after tax attributable to equity shareholders (A)	(1,885.50)	(477.10)	(413.89)
Face value per equity shares (in ₹)	10.00	10.00	10.00
Weighted average number of basic shares outstanding during the year (Nos.) (B)**	64,959	63,930	61,872
Add: Effect of potential equity shares which are dilutive (pertaining to employee stock plan and partly paid up shares) (Nos.)	5,432	1,100	1,542
Weighted average number of diluted shares outstanding during the year (Nos.) (C)	70,391	65,030	63,414
Earnings/(losses) per share			
Basic (in ₹) (A/B)	(29,026.00)	(7,462.85)	(6,689.45)
Diluted (in ₹) (A/C)*	(29,026.00)	(7,462.85)	(6,689.45)

*Being anti dilutive owing to losses during the reporting periods, the diluted EPS has been capped to the amount of basic EPS.

**Includes preference shares which are compulsorily convertible into equity shares. Refer note 22A.

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45 Employee benefits

A. Defined benefit plan (unfunded)

The Group has gratuity as defined benefit retirement plan for its employees residing in India. Disclosures as required by Ind AS 19- 'Employee Benefits' for the year ended 31 March 2025 are as under:

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. At present, the gratuity plan is unfunded.

I. Changes in the defined benefit obligation:

Particulars	31 March 2025	31 March 2024	31 March 2023
Defined benefit obligation as at the beginning of the year	21.26	12.23	6.33
Interest cost	1.39	0.82	0.38
Current service cost	7.46	6.38	4.18
Actuarial losses/(gains)	1.37	2.43	1.34
Benefits paid	(0.78)	(0.60)	-
Defined benefit obligation as at the end of the year	30.70	21.26	12.23

II. Amount recognised in Special Purpose Consolidated Balance Sheet:

Particulars	31 March 2025	31 March 2024	31 March 2023
Current liability	5.34	3.85	2.00
Non-current liability	25.36	17.41	10.23
Total	30.70	21.26	12.23

III. The amount recognised in the Consolidated Statement of Profit and Loss under employee benefits expense and other comprehensive income are as follows:

Particulars	31 March 2025	31 March 2024	31 March 2023
Amount recognised in the profit & loss			
Current service cost	7.46	6.38	4.18
Interest cost	1.39	0.82	0.38
Total	8.85	7.20	4.56
Amount recognised in the other comprehensive income			
Net actuarial losses/(gains) recognised during the period	1.37	2.43	1.34
Total	1.37	2.43	1.34

IV. Breakup of actuarial (gain)/loss:

Particulars	31 March 2025	31 March 2024	31 March 2023
Components of actuarial (gain)/loss on obligations			
Due to change in financial assumptions	0.74	0.08	(0.61)
Due to experience adjustments	0.63	2.35	1.95
Total expenses included in other comprehensive income	1.37	2.43	1.34

V. Details of net defined benefit obligation:

Particulars	31 March 2025	31 March 2024	31 March 2023
Defined benefit obligation	30.70	21.26	12.23
Plan assets	-	-	-
Deficit	30.70	21.26	12.23

VI. Assumptions:

Particulars	31 March 2025	31 March 2024	31 March 2023
Discount rate (per annum)	6.55%	7.20%	7.30%
Mortality rate	Indian Assured Lives Mortality Table (IALM) 2012-2014 Ultimate	Indian Assured Lives Mortality Table (IALM) 2012-2014 Ultimate	Indian Assured Lives Mortality Table (IALM) 2012-2014 Ultimate
Salary growth rate (per annum)	7%	7%	7%
Attrition rate (per annum)	25%	25%	25%
Retirement age (in years)	60	60	60

These assumptions were developed by the management with the assistance of independent actuarial appraiser. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of related obligations. Other assumptions are based on management's past experience. The estimate of future increases in salary, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



VII. Amount, timing and uncertainty of future cashflows:

Sensitivity to key assumptions

Particulars	31 March 2025	31 March 2024	31 March 2023
Effect of +0.5% change in rate of discounting	(0.58)	(0.40)	(0.25)
Effect of -0.5% change in rate of discounting	0.60	0.43	0.24
Effect of +0.5% change in rate of salary growth rate	0.51	0.39	0.23
Effect of -0.5% change in rate of salary growth rate	(0.53)	(0.38)	(0.23)
Effect of +10% change in rate of attrition rate	(0.65)	(0.49)	(0.34)
Effect of -10% change in rate of attrition rate	0.65	0.51	0.34

Description of methods used for sensitivity analysis and its limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change, if any.

VIII. Weighted average duration of the defined benefit plan:

Particulars	31 March 2025	31 March 2024	31 March 2023
Weighted average duration (years)	3.93	3.96	3.96

IX. The defined benefit obligation shall mature after year end as follows:

Particulars	31 March 2025	31 March 2024	31 March 2023
Year 1 cashflows	5.34	3.85	2.01
Year 2 cashflows	5.16	3.41	2.10
Year 3 cashflows	5.40	3.25	1.78
Year 4 cashflows	4.91	3.53	1.86
Year 5 cashflows	4.21	3.15	1.89
Year 6 to Year 10 cashflows	11.17	8.51	5.23

B. Defined contribution plan

The contribution is made to provident fund in India for employees at a specified percentage of basic salary as per regulations. Also, the Group pays fixed contribution to employee provident fund, employee state insurance contribution (ESIC) and labour welfare fund in relation to employees residing in India and the Group contributes to pension scheme for overseas employees. Such funds are administered by the respective government authority and the Group has no legal or contractual obligations to pay contributions in addition to its fixed contributions which are recognised as an expense in the year in which employee provide service to the Group. The said expenses are as below:

Particulars	31 March 2025	31 March 2024	31 March 2023
Provident fund	7.15	6.78	5.50
ESIC	2.24	2.44	1.79
Labour welfare fund	0.13	0.06	0.07
Insurance and pension funds	3.51	2.77	1.65
Total	13.03	12.05	9.01



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46 Share based payments

Pursuant to the shareholders' approval granted in the meeting held on 17 June 2024, the Holding Company has adopted the Employee Stock Option Scheme 2024 ("ESOP Scheme 2024"). During the year ended 31 March 2025, pursuant to the terms of ESOP Scheme 2024, the Holding Company has granted employee stock options (ESOPs) to the employees of the Holding Company and its wholly owned subsidiary, PSL Retail Private Limited. These ESOPs will vest upon expiry of a period of 1 year from the date of grant and can be exercised by the employee at any time within 3 years from the date of vesting, subject to the conditions specified in the ESOP Scheme 2024 and the letters of grant issued pursuant to the said scheme. Each ESOP is convertible into one fully paid-up equity share of the Holding Company of ₹ 10 each (along with the benefit of bonus issuance made after the grant of such employee stock options). The fair value of the options granted has been measured using the Black-Scholes option pricing model.

In past, the Group had adopted the Stock Option Plan-2019 ("ESOP 2019") which revised and superseded the Employee Stock Option Plan-2017. Such ESOP 2019 scheme entitled certain employees to purchase shares of the Holding Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the said scheme, holders of vested options were entitled to purchase one equity share for every option at an exercise price of ₹ 10 per share.

Details of employee stock options granted under the ESOP Scheme 2024 and ESOP 2019 as follows:

Particulars	ESOP Scheme 2024 -Tranche I	ESOP Scheme 2024 -Tranche II	ESOP 2019 -Tranche I	ESOP 2019 -Tranche II
Numbers of options granted	2,232	2,100	2,308	1,692
Grant date	1 July 2024	14 November 2024	8 January 2018 to 20 May 2020	20 May 2021 to 8 August 2021
Vesting conditions	1 year service from the grant date	1 year service from the grant date	Minimum 1 year service from the grant date	Minimum 1 year service from the grant date
Exercise period	3 years	3 years	Upto 10 years	Upto 10 years
Exercise price (in ₹)	₹ 10/ share	₹ 10/ share	₹ 10/ share	₹ 10/ share
Method of settlement	Equity	Equity	Equity	Equity
Fair value of options granted (per option in ₹)	4,99,380	4,99,875	56,973	56,955

The following assumptions were used for calculation of fair value of options granted under ESOP Scheme 2024 and ESOP 2019:

Particulars	ESOP Scheme 2024 -Tranche I	ESOP Scheme 2024 -Tranche II	ESOP 2019 -Tranche I	ESOP 2019 -Tranche II
Risk-free interest rate (%)	7.10%	7.02%	6.81%	6.81%
Time to expiration (Refer note i below)	3 years	3 years	10 years	10 years
Expected volatility (%) (Refer note ii below)	38.84%	38.85%	41.29%	41.29%
Dividend yield	-	-	-	-
Weighted average remaining contractual life of options at the end of period	3.25 years	3.62 years	-	-

Notes:

- The time is from the date of completion of the vesting period.
- Expected volatility estimates are based on industry best practices.

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Number of options granted, exercised and forfeited			
Balance at the beginning of the year	-	-	1,692
Granted during the year	4,332	-	-
Forfeited/expired during the year	-	-	-
Exercised during the year	-	-	(1,692)
Outstanding at the end of the year	4,332	-	-
Exercisable options at the end of the year	-	-	-
Unvested options at the end of the year	4,332	-	-
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Employee stock option charge/(gain) recognised in profit & loss	1,227.68	-	(106.47)

Notes:

- The estimated impact on the Special Purpose Consolidated Statement of Profit and Loss and other equity for the next financial year, arising from share-based payment expenses, is ₹ 936.67 million (31 March 2024: Nil and 31 March 2023: Nil as no stock options were outstanding).
- When 1,692 stock options were exercised during the year ended 31 March 2023, the fair value per share of the Holding Company was ₹ 154,991 per share.



Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)

Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

47 Related party disclosures

a) Names of related parties and description of relationship

(i) Wholly owned subsidiary

PSL Retail Private Limited
Purple Style Labs UK Limited

(ii) Directors and key management personnel (KMP)

Mr. Abhishek Agarwal, Whole-time director* and Chief Executive Officer (w.e.f. 1 April 2025)
Mr. Abhinav Agarwal, Whole-time director* and Chief Business Officer
Mr. Harminder Sahni, Non-executive director (w.e.f. 30 October 2023)
Mr. Rahul Garg, Non-executive director (w.e.f. 1 April 2024)
Mr. Hrishikesh Bhalchandra Parandekar, Independent director (w.e.f. 14 November 2024)
Ms. Shefali Sarohi Shyam, Independent director (w.e.f. 14 November 2024)
Mr. Umesh Pawan Choudhary, Chief Financial Officer (w.e.f. 1 April 2025)
Ms. Gulshan Mumtaz Khan, Company Secretary and Compliance Officer (w.e.f. 18 June 2025)
Mr. Niket Agarwal, Chief Operating Officer (w.e.f. 18 June 2025)
Mr. Nivesh Pandey, Chief Strategy Officer (w.e.f. 18 June 2025)

*redesignated as whole time director w.e.f. 14 November 2024

(iii) Company in which directors and key management personnel (KMP) is a director (to the extent transactions have taken place)

Wazir Advisors Private Limited

(iv) Relatives of directors and key management personnel (KMP) (to the extent transactions have taken place)

Ms. Punit Sahni, Relative of director

b) The transactions with related parties (other than those eliminated upon consolidation) are as follows:

Particulars	Year ended	Abhishek Agarwal	Abhinav Agarwal	Harminder Sahni	Rahul Garg	Hrishikesh Bhalchandra Parandekar	Shefali Sarohi Shyam	Wazir Advisors Private Limited	Punit Sahni	Total
1. Equity shares issued (including securities premium)	31 March 2025	-	-	-	2.50	-	-	-	2.50	5.00
	31 March 2024	-	-	-	-	-	-	-	-	-
	31 March 2023	-	0.01	-	-	-	-	-	-	0.01
2. Compulsorily convertible preference shares issued (including securities premium)	31 March 2025	-	-	-	-	-	-	-	-	-
	31 March 2024	-	-	-	-	-	-	-	-	-
	31 March 2023	1.14	-	-	-	-	-	-	-	1.14
3. Expenses incurred on behalf of the Group	31 March 2025	0.20	0.84	-	-	-	-	-	-	1.04
	31 March 2024	-	1.42	-	-	-	-	-	-	1.42
	31 March 2023	2.64	1.08	-	-	-	-	-	-	3.72
4. Borrowings availed	31 March 2025	128.68	60.00	-	-	-	-	-	-	188.68
	31 March 2024	40.00	-	-	-	-	-	-	-	40.00
	31 March 2023	64.00	42.50	-	-	-	-	-	-	106.50
5. Remuneration	31 March 2025	6.00	7.20	1.20	1.20	0.46	0.46	-	-	16.52
	31 March 2024	4.20	6.00	0.51	-	-	-	-	-	10.71
	31 March 2023	2.38	97.78	-	-	-	-	-	-	100.16
6. Professional Charges	31 March 2025	-	-	2.40	2.40	-	-	2.50	-	7.30
	31 March 2024	-	-	1.01	-	-	-	-	-	1.01
	31 March 2023	-	-	-	-	-	-	-	-	-
7. Borrowings repaid	31 March 2025	128.68	60.00	-	-	-	-	-	-	188.68
	31 March 2024	40.00	-	-	-	-	-	-	-	40.00
	31 March 2023	64.00	42.50	-	-	-	-	-	-	106.50

Note:

During the year ended 31 March 2025, the Holding Company has granted 1,200 options (31 March 2024: Nil, 31 March 2023: Nil) to a director under the ESOP Scheme 2024 (Refer note 45).

c) Balances with related parties (other than those eliminated upon consolidation) for the year are as follows :

Particulars	As at	Abhishek Agarwal	Abhinav Agarwal	Harminder Sahni	Rahul Garg	Hrishikesh Bhalchandra Parandekar	Shefali Sarohi Shyam	Wazir Advisors Private Limited	Punit Sahni	Total
1. Expense payable and other payable	31 March 2025	-	-	-	-	-	-	2.70	-	2.70
	31 March 2024	-	0.51	-	-	-	-	-	-	0.51
	31 March 2023	0.27	0.34	-	-	-	-	-	-	0.61



Breakup of remuneration to directors and key managerial personnel of the Group

Particulars	Abhishek Agarwal	Abhinav Agarwal	Harminder Sahni	Rahul Garg	Hrishikesh Bhalchandra Parandekar	Shelfali Sarohi Shyam	Total
For the year ended 31 March 2025							
Short-term employee benefits	5.98	7.18	1.20	1.20	0.46	0.46	16.48
Post employment benefits*	0.02	0.02	-	-	-	-	0.04
Share based payments**	-	-	-	-	-	-	-
Total	6.00	7.20	1.20	1.20	0.46	0.46	16.52
For the year ended 31 March 2024							
Short-term employee benefits	4.18	5.98	0.51	-	-	-	10.67
Post employment benefits*	0.02	0.02	-	-	-	-	0.04
Share based payments**	-	-	-	-	-	-	-
Total	4.20	6.00	0.51	-	-	-	10.71
For the year ended 31 March 2023							
Short-term employee benefits	2.36	4.76	-	-	-	-	7.12
Post employment benefits*	0.02	0.02	-	-	-	-	0.04
Share based payments**	-	93.00	-	-	-	-	93.00
Total	2.38	97.78	-	-	-	-	100.16

*Post employment benefits include employer's contribution towards provident fund and do not include gratuity. Gratuity is computed for all the employees in aggregate and hence, the amount relating to the directors and KMPs cannot be individually identified.

** This disclosure pertains to the stock options exercised during the reporting period but does not include share based payment expense recognised at the time of grant of stock options. During the year ended 31 March 2023, the director of the Company exercised 600 employee stock options granted under ESOP 2019. During the year ended 31 March 2025, the Company has granted 1,200 employee stock options (31 March 2024: Nil, 31 March 2023: Nil) to a director under ESOP Scheme 2024 (Refer note 46 for further details on the fair value of stock options). The director of the Company holds 1,200 employee stock options as at 31 March 2025 (31 March 2024: Nil, 31 March 2023: Nil).

d) Other arrangements:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

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48 A. First time adoption of Ind AS framework

The accounting policies set out in notes 2 and 3 have been applied in preparing the Special Purpose Ind AS Consolidated Financial Statements for the years ended 31 March 2025, 31 March 2024, 31 March 2023 and in the preparation of an opening Ind AS Balance Sheet as at 1 April 2022 ('Date of transition'). In preparing its opening Ind AS Balance Sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the applicable accounting standards notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Act ("previous GAAP").

An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position and financial performance and cash flows for earlier period along with the exemptions and exceptions availed is as follows:

Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to the Ind AS.

A-1. Optional exemptions availed:

Deemed cost: Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustment for de-commissioning liabilities. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

Business combination: A first time adopter may elect not to apply Ind AS 103 retrospectively to past business combinations (business combination that occurred before the date of transition to Ind AS). Accordingly, the Group has availed the business combination exemption on first time adoption of Ind AS and therefore the business combinations prior to date of transition have not been restated to the accounting prescribed under Ind AS 103- 'Business Combinations'.

Fair value measurement of financial assets and liabilities at initial recognition: Ind AS 101 permits a first time adopter to apply requirements of Ind AS 109 in relation to fair value measurement prospectively to transactions entered into on or after the date of transition to Ind AS. Accordingly, the Group has elected the above exemption of fair value measurement of financial assets or financial liabilities at initial recognition.

Leases: Appendix C to Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected not to be material. The Group has elected to apply this exemption for such contracts/arrangements.

As a first time adopter, the Group has used the following optional exemptions permitted:

- Assessed whether contracts as at transition date contain a lease based on facts and circumstances existing as on that date.
- Not to recognize right of use assets and liabilities for leases with less than 12 months of lease term at the transition date.
- Not to recognize right of use assets and liabilities for leases of low value assets.
- Using hindsight up to the transition date in determining the lease term where the contract contains options to extend or terminate the lease.

A-2. Mandatory exceptions availed:

Estimates: An entity's estimates at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2022, 31 March 2023 and 31 March 2024 are consistent with the estimates as at the same date made in conformity with previous GAAP except where Ind AS required a different basis for estimates as compared to the previous GAAP.

De-recognition of financial assets and liabilities: Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions. The Group has applied the derecognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets: Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The Group has classified its financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Impairment of financial assets: Ind AS 101 provides relaxation from applying the impairment related requirements of Ind AS 109 retrospectively. At the date of transition, it requires an entity to use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instrument were initially recognized and compare that to the credit risk at the date of transition to Ind AS or recognize a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is de-recognized, if at the date of transition to Ind AS, determination of credit risk involves undue cost or effort. The Group has availed the above exception of impairment of financial asset.

Leases: The Group has adopted Ind AS 116- 'Leases' using the modified retrospective approach. Accordingly, lease liability is measured at the present value of the remaining lease payments and right of use assets at an amount equal to lease liability (adjusted for any related prepayments and present value of security deposits).



B. First time adoption reconciliations

Statement showing reconciliation of total equity as per previous GAAP and Ind AS:

Particulars	Notes	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Total equity as per previous GAAP (A)		525.09	686.11	546.99
Summary of adjustments				
Recognition of lease liability	B.1	(1,933.44)	(1,213.74)	(747.86)
Recognition of right of use assets	B.1	1,843.17	1,172.83	739.23
Derecognition of rent equalisation reserve	B.1	48.43	33.41	-
Derecognition of prepaid rent	B.1	(6.27)	(6.06)	(6.06)
Reversal of goodwill amortisation	B.5	79.09	13.67	-
Fair valuation of security deposit	B.2	(164.99)	(94.43)	(43.81)
Fair valuation for equity investment	B.4	15.67	-	-
Fair valuation of loan to employees	B.3	0.36	0.15	0.03
Impact of above on staff welfare expenses	B.3	(0.27)	(0.09)	(0.02)
Recognition of expected credit losses as per Ind AS 109	B.7	(0.03)	(0.06)	(0.01)
Prepaid expenses recognised	B.1	1.96	1.05	0.15
Total Ind AS adjustments (B)		(116.32)	(93.27)	(58.35)
Total equity as per Ind AS (A) + (B)		408.77	592.84	488.64

Statement showing reconciliation of profit and loss as per previous GAAP and Ind AS:

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Net profit/(loss) as per previous GAAP (A)		(456.83)	(380.41)
Summary of adjustments			
Depreciation on right of use assets	B.1	341.71	256.38
Interest expenses on lease liabilities	B.1	236.38	156.32
Reversal of rent and related expenses	B.1	(457.17)	(351.91)
Interest income on lease deposits	B.2	(19.03)	(13.34)
Recognition of expected credit losses as per Ind AS 109	B.7	(0.02)	0.04
Actuarial gains and losses reclassified to OCI	B.6	(2.44)	(1.34)
Fair value changes for equity investment	B.4	(15.67)	-
Fair valuation of loan to employees	B.3	(0.21)	(0.15)
Impact of above on staff welfare expenses	B.3	0.18	0.10
Reversal of goodwill amortisation	B.5	(65.42)	(13.67)
Prepaid expenses recognised	B.1	1.96	1.05
Total Ind AS adjustments (B)		20.27	33.48
Net profit/(loss) as per Ind AS (A) - (B)		(477.10)	(413.89)
Other comprehensive income/(loss)			
- Remeasurement of the defined benefit plans (loss)	B.6	(2.43)	(1.34)
- Exchange difference on translation of foreign operation		(8.62)	0.01
Total comprehensive income/(loss) as per Ind AS		(488.15)	(415.22)

Statement showing impact on cash flows:

Statement showing impact on cash flows for the year ended 31 March 2024:

Particulars	Previous GAAP	Adjustments	As per Ind AS
Cash flow from operating activities	(706.62)	393.18	(313.44)
Cash flow from investing activities	(167.86)	-	(167.86)
Cash flow from financing activities	830.70	(393.18)	437.52
Net increase/(decrease) in cash and cash equivalent	(43.78)	-	(43.78)

Statement showing impact on cash flows for the year ended 31 March 2023:

Particulars	Previous GAAP	Adjustments	As per Ind AS
Cash flow from operating activities	(740.23)	298.34	(441.89)
Cash flow from investing activities	(125.58)	-	(125.58)
Cash flow from financing activities	770.00	(298.34)	471.66
Net increase/(decrease) in cash and cash equivalent	(95.81)	-	(95.81)

Ind AS adoption has no impact on net increase/decrease in cash and cash equivalent for the year ended 31 March 2024 and 31 March 2023 as compared to the previous GAAP. The adjustment disclosed above is primarily on account of payment of lease liabilities classified as financing activity under Ind AS framework whereas it was part of operating activity under previous GAAP.



Explanations to reconciliation statements:

1) Lease liability and right of use assets:

On transition to Ind AS, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under previous GAAP. These liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as on the transition date with a corresponding debit to right of use asset, after adjusting amount of any prepaid or accrued lease payments relating to the lease recognised. Under previous GAAP, rent paid was shown as an expense on a straight line basis. However, under Ind AS, interest is accrued on lease liabilities, rent paid is shown as deduction to lease liabilities and depreciation is charged on right of use asset over the lease period. Brokerage, stamp duty and registration expenses incurred on leases are required to be considered under Ind AS 116. Accordingly, the amount considered for lease accounting post transition date has been reinstated. Further, prepaid expense disclosed in the above table relates to stamp duty paid for leases which are commencing in subsequent financial year.

2) Security deposit:

Under previous GAAP, refundable lease security deposits were recognised and carried at their respective transaction amounts. Under Ind AS, such deposits are carried at the fair value. The fair value is determined as the present value of the deposit amount. The difference between the fair value and the carrying value is treated as prepaid rent and is added in the right of use asset. The lease deposits are subsequently measured at amortised cost. Interest income on lease deposits is recognised using the effective interest rate.

3) Financial instruments:

Under previous GAAP, financial assets and financial liabilities were typically carried at the contractual amount receivable or payable. Under Ind AS, financial instruments carried at amortised cost are initially recognised at fair value, and subsequently measured at amortised cost, at effective interest rate. For certain financial assets and financial liabilities, the fair value thereof at the date of transition to Ind AS has been considered as the new amortised cost of that financial asset and financial liability at the date of transition to Ind AS.

Under Ind AS, the interest-free employee loan is fair valued at the market rate and is subsequently measured at amortised cost. Interest income on employee loan is recognised using the effective interest rate. The difference between the fair value and the carrying value of loan is treated as prepaid staff welfare cost and the same is expensed out over the tenure of the loan.

4) Fair valuation of investment:

Under the previous GAAP, long term investments were accounted at cost less decline, other than temporary decline, in the value of long term investment. Current investments were accounted at cost or fair value, whichever is lower. Under the Ind AS, such investments have been measured at fair value through profit and loss on the date of transition to Ind AS and fair value changes after the date of transition have been recognised in the Special Purpose Consolidated Statement of Profit and Loss.

5) Reversal of goodwill amortization:

Under previous GAAP, goodwill arising on acquisition is amortised on straight-line basis over the period of 5 years from the date of acquisition. Under Ind AS, amortisation of goodwill arising on business combination is prohibited and goodwill is required to be tested for impairment annually. Accordingly, amounts amortised post transition date have been reinstated.

6) Actuarial gain/loss on defined benefit obligation:

Under the previous GAAP, these re-measurement effects were forming part of the profit and loss for the year. Under the Ind AS, re-measurements i.e. actuarial gains/losses excluding amounts included in the net interest expenses on the net defined benefit liability are recognized in other comprehensive income instead of profit and loss.

7) Expected credit loss on financial assets:

Under the previous GAAP, the provision for doubtful debts were recognized based on the outstanding period of receivables and policy framed by the Group i.e. when there is an objective evidence of impairment. Under the Ind AS, an impairment loss shall be recognized as per the expected credit losses model on all financial assets (other than those measured at fair value through profit or loss).



49 Fair value measurements

(i) Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participant at the measurement date.

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting framework. An explanation of each level follows underneath the table.

Level 1 : Prices (unadjusted) available in active markets for financial instruments.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost
- Assets and liabilities which are measured at amortised cost for which fair values are disclosed

(iii) Financial instruments by category

Particulars	As at 31 March 2025			
	Amortised cost	At FVTPL	Total carrying value	Fair value hierarchy for financial instruments measured at FVTPL
Assets				
Loans	6.47	-	6.47	-
Other financial assets	512.42	-	512.42	-
Trade receivables	12.75	-	12.75	-
Cash and cash equivalents	103.78	-	103.78	-
Bank balances other than cash and cash equivalents	1.01	-	1.01	-
Liabilities				
Borrowings	1,127.91	-	1,127.91	-
Lease liabilities	1,743.90	-	1,743.90	-
Trade payables	418.33	-	418.33	-
Other financial liabilities	27.44	-	27.44	-

All amounts are net of provision for impairment, if any.



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Particulars	As at 31 March 2024			
	Amortised cost	At FVTPL	Total carrying value	Fair value hierarchy for financial instruments measured at FVTPL
Assets				
Investments	-	26.20	26.20	Level 3
Loans	5.92	-	5.92	-
Other financial assets	238.33	-	238.33	-
Trade receivables	8.84	-	8.84	-
Cash and cash equivalents	31.91	-	31.91	-
Bank balances other than cash and cash equivalents	1.01	-	1.01	-
Liabilities				
Borrowings	1,163.27	-	1,163.27	-
Lease liabilities	1,933.43	-	1,933.43	-
Trade payables	650.63	-	650.63	-
Other financial liabilities	47.45	-	47.45	-

All amounts are net of provision for impairment, if any.

Particulars	As at 31 March 2023			
	Amortised cost	At FVTPL	Total carrying value	Fair value hierarchy for financial instruments measured at FVTPL
Assets				
Loans	2.66	-	2.66	-
Other financial assets	199.74	-	199.74	-
Trade receivables	21.74	-	21.74	-
Cash and cash equivalents	75.69	-	75.69	-
Liabilities				
Borrowings	467.29	-	467.29	-
Lease liabilities	1,213.73	-	1,213.73	-
Trade payables	421.30	-	421.30	-
Other financial liabilities	78.86	-	78.86	-

All amounts are net of provision for impairment, if any.

Notes:

- The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances and other current financial assets and liabilities, are considered to be the same as their fair values, due to their short-term nature.
- The carrying value approximates the fair value for security deposits and loan to employees as it has been calculated based on cash flows discounted using the current lending rate.
- The carrying amounts of non-current borrowings and lease liabilities approximate their fair values, as they are based on discounted cash flows using the current borrowing rate.
- There have been no transfers between levels of fair value hierarchy during the year.
- For the purpose of fair valuation of investment, discounted cash flow method has been used as a valuation technique and expected cashflows have been considered as significant unobservable inputs.
- The following table shows a reconciliation for Level 3 fair values - Investments:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning of the year (net of impairment allowance)	26.20	-	11.53
Addition during the year	-	10.53	-
Impairment allowance	-	-	(6.50)
Net change in fair value recognised through profit and loss	3.93	15.67	5.61
Disposal during the year	(30.13)	-	(10.64)
Balance at the end of the year (net of impairment allowance)	-	26.20	-



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50 Financial risk management

The Group is exposed primarily to fluctuations in foreign exchange, credit quality and liquidity management, which may adversely impact its financial performance. The Group's principal financial liabilities comprises of borrowings, lease liabilities, trade payables and other financial liabilities. The Group's principal financial assets include trade receivables, cash and cash equivalents and other bank balances and other financial assets that derive directly from its operations.

A Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financial assets.

i) Trade receivables (net of loss allowance)

Trade receivables are unsecured and are derived from revenue earned from sales to customers. Group's historical experience of collecting receivables is that credit risk is low. The Group measured the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual loss experience and past trends. Based on historical data, the loss on collection of receivable is very insignificant and hence the credit risk on overall portfolio of trade receivables is low. Generally, the Group sells goods after receipt of certain advance payments from customers. Further, sales to customers are required to be settled in cash or using major credit cards or renowned payment portals. Thus, the credit risk is mitigated to a large extent.

Particulars	Unbilled	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025	-	-	12.33	0.39	0.03	-	-	12.75
As at 31 March 2024	-	-	5.05	2.10	1.69	-	-	8.84
As at 31 March 2023	-	-	19.74	2.00	-	-	-	21.74

The following table summarizes the movement of expected credit loss provision:

Particulars	31 March 2025	31 March 2024	31 March 2023
As at beginning of the year	0.03	0.06	0.01
Add: Provision made during the year	1.34	3.25	0.09
Less: Amounts written off (including provision utilised)	(1.36)	(3.28)	(0.04)
As at end of the year	0.01	0.03	0.06

ii) Other financial assets

Cash balances are maintained with banks having high credit rating. Loans given to employees are fully recoverable to the extent of carrying value. Majority of security deposits are placed for lease agreement or with government agencies. There is no significant increase in credit risk as at 31 March 2025 (31 March 2024: Nil, 31 March 2023: Nil).

B Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cashflows.

The liquidity risk principally arises from obligations on account of financial liabilities viz. borrowings, lease liabilities, trade payables and other financial liabilities.

Maturities of financial liabilities:

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments (undiscounted) at each reporting date disclosed in the Special Purpose Consolidated Balance Sheet are carrying values based on amortised cost:

As at 31 March 2025

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Borrowings	1,127.91	-	-	1,127.91
Lease liabilities	517.29	1,505.45	643.12	2,665.86
Trade payables	418.32	0.01	-	418.33
Other financial liabilities	27.44	-	-	27.44
Total	2,090.96	1,505.46	643.12	4,239.54



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As at 31 March 2024

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Borrowings	1,153.18	10.09	-	1,163.27
Lease liabilities	527.08	1,588.92	982.90	3,098.90
Trade payables	649.49	1.14	-	650.63
Other financial liabilities	47.45	-	-	47.45
Total	2,377.20	1,600.15	982.90	4,960.25

As at 31 March 2023

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Borrowings	467.09	0.20	-	467.29
Lease liabilities	356.50	995.24	512.95	1,864.69
Trade payables	420.72	0.58	-	421.30
Other financial liabilities	78.86	-	-	78.86
Total	1,323.17	996.02	512.95	2,832.14

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Notes to the Special Purpose Ind AS Consolidated Financial Statements as at and for the years ended 31 March 2025, 31 March 2024 and 31 March 2023

(₹ in million, except for share data and, if otherwise stated)

51 Capital management

The Group's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The funding requirements are met through raising funds (debt/equity) and operating cash flows generated. The Group is not subject to any externally imposed capital requirements.

The Group monitors its capital by using gearing ratio, which is capital employed divided by total equity. Net debt includes non-current borrowings (including current maturities) and short term borrowings net of cash and cash equivalents and equity comprises of equity share capital and other equity.

A. The amount managed as capital by the Group are summarised as follows:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Debt	1,127.91	1,163.27	467.29
Less: Cash and cash equivalents	(103.78)	(31.91)	(75.69)
Net debt (a)	1,024.13	1,131.36	391.60
Total equity as per balance sheet (b)	1,186.97	408.77	592.84
Total capital employed (a) + (b) = (c)	2,211.10	1,540.13	984.44
Capital gearing ratio (a)/(c)	0.46	0.73	0.40

B. Dividends

The Holding Company and its subsidiaries have not paid any dividend to its shareholders for years ended 31 March 2025, 31 March 2024 and 31 March 2023.

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(₹ in million, except for share data and, if otherwise stated)

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk and price risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk primarily relates to fluctuations in receivables and payables denominated in currencies against the functional currency of the respective entities forming part of the Group.

The Group's policy is to assess the Group's net exposures which is mainly represented by receivable and payable towards exports and imports respectively.

Unhedged foreign currency exposure	Currency	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
		Amount in foreign currency*	Amount INR	Amount in foreign currency*	Amount INR	Amount in foreign currency*	Amount INR
Financial assets							
	SGD	4,324.00	0.27	3,534.00	0.22	2,499.00	0.15
	USD	2,37,713.00	20.30	1,60,281.00	13.34	1,72,653.00	13.91
	CAD	35,853.00	2.14	20,029.00	1.23	17,085.00	1.02
Other receivables	EURO	5,648.00	0.52	1,499.00	0.13	4,217.00	0.37
	HKD	15,589.00	0.17	10,461.00	0.11	8,553.00	0.09
	AUD	24,813.00	1.33	11,397.00	0.62	10,092.00	0.54
	GBP	36,102.00	3.98	25,365.00	2.65	17,769.00	1.77
			28.71		18.30		17.85
Financial liabilities							
Trade payables	USD	-	-	11,000.00	0.91	10,867.10	0.89
			-		0.91		0.89

*Foreign currency amount are in absolute term.

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in foreign currency with all other variables held constant. The below impact on the Group's profit before tax and equity is based on changes in the fair value of foreign currency monetary assets and liabilities at balance sheet date:

Currencies	31 March 2025		31 March 2024		31 March 2023	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
SGD	0.01	(0.01)	0.00	(0.00)	0.00	(0.00)
USD	0.41	(0.41)	0.25	(0.25)	0.26	(0.26)
CAD	0.04	(0.04)	0.02	(0.02)	0.02	(0.02)
EURO	0.01	(0.01)	0.00	(0.00)	0.01	(0.01)
HKD	0.00	(0.00)	0.00	(0.00)	0.00	(0.00)
AUD	0.03	(0.03)	0.01	(0.01)	0.01	(0.01)
GBP	0.08	(0.08)	0.05	(0.05)	0.04	(0.04)

Note:

The amounts presented in the above disclosure pertains to those account balances which are denominated in the currency other than the functional currency of the respective entities forming part of the Group.

(ii) Interest rate risk

All the borrowings of the Group are fixed rate borrowings. There is not interest rate risk due to non variability of interest rates.

(iii) Commodity price risk

The Group is affected by the price volatility of its raw materials and inventory of stock-in-trade. The Group's procurement department continuously monitors the fluctuation in price and takes necessary action to minimize its price risk exposure.

(iv) Share price risk

The Group is affected by the volatility in price of equity shares in which Group has made investment and measured at FVTPL. The management monitors the fluctuation in price of shares and takes necessary actions to minimize its share price risk exposure.



52 Revenue from contracts with customers

The majority of customer contracts that the Group enters into consist of a single performance obligation for the delivery of apparel, accessories, jewellery etc. and providing styling services. The Group recognises revenue from product sales when control of the product transfers, generally upon delivery to the customer i.e., at a point in time. The Group records product sales net of estimated customer award points/discounts and other related charges. These are generally accounted for as variable consideration estimated in the same period the related sales occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions.

The sale of services includes logistics and ancillary services related to the sale of goods to customers, and other support services. Revenue from these services is recognized upon completion of the service.

Sales are based on short-term contractual arrangements. Sales are conducted through both digital platforms and physical retail stores. Payment is generally required in advance.

There is no significant financing component in any contract, as the goods are not sold on an extended credit basis.

a) Disaggregation of revenue:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Based on geographical markets			
Within India	3,281.58	3,019.50	2,027.63
Outside India	1,617.51	2,024.23	1,664.30
Revenue from contracts with customer	4,899.09	5,043.73	3,691.93

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Based on timing of transfer of goods/services			
Revenue recognised at a point in time	4,899.09	5,043.73	3,691.93
Revenue recognised over time	-	-	-
Revenue from contracts with customer	4,899.09	5,043.73	3,691.93

b) Reconciling the amount of revenue recognised in the Special Purpose Consolidated Statement of Profit and Loss with the contracted price:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Revenue as per contracted price	4,928.40	5,074.48	3,723.81
Adjustments (includes provisions estimated and adjustments there against)			
Utilisation of customer loyalty points	(29.31)	(30.75)	(31.88)
Revenue from contract with customers	4,899.09	5,043.73	3,691.93

c) Contract balances:

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables (Refer note 15)	12.75	8.84	21.74
Revenue received in advance (Refer note 30)*	399.31	331.40	337.22
Deferred revenue (Refer note 30)	8.90	4.48	7.99
Total	420.96	344.72	366.95

*The Group expects to recognise the revenue from this balance within one year from the reporting date.



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53 Leases

Group as lessee

The Group's leased assets primarily consist of leases for building. Leases of building generally have lease term between 3 years to 9 years. The leases include non-cancellable periods and renewable option with the mutual consent of lessee and lessor, which have been taken into consideration for determination of lease term.

i) Set out below are the carrying amounts of right of use assets and the movements during the year:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Opening right of use assets	1,843.17	1,172.83	739.22
Additions during the year	89.52	1,010.27	688.58
Charge for the year	(402.22)	(341.71)	(256.38)
Foreign exchange gain/ (loss)	1.41	1.78	1.41
Closing right of use assets	1,531.88	1,843.17	1,172.83

ii) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Opening lease liability	1,933.43	1,213.73	747.84
Additions during the year	78.40	905.77	615.85
Accretion of interest	273.15	236.38	156.32
Principal payments	(269.23)	(187.77)	(151.36)
Finance cost paid	(273.15)	(236.38)	(156.32)
Foreign exchange (gain)/ loss	1.30	1.70	1.40
Closing lease liability	1,743.90	1,933.43	1,213.73
Current lease liabilities	282.70	261.65	195.14
Non-current lease liabilities	1,461.20	1,671.78	1,018.59

The effective interest rate applied is in the range of 8% to 15% p.a. (31 March 2024 and 31 March 2023: 8% to 15% p.a.) based on geographical location.

iii) The following are the amounts recognised in the Special Purpose Consolidated Statement of Profit and Loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expense of right of use assets	402.22	341.71	256.38
Interest expense on lease liabilities	273.15	236.38	156.32
Expense relating to short-term leases (included in other expenses)	40.96	12.58	17.21
Total amount recognised in the Special Purpose Consolidated Statement of Profit and Loss	716.33	590.67	429.91

iv) The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	Within 1 year	Between 1 and 5 years	Beyond 5 years	Total
31 March 2025				
Lease payments	517.29	1,505.45	643.12	2,665.86
31 March 2024				
Lease payments	527.08	1,588.92	982.90	3,098.90
31 March 2023				
Lease payments	356.50	995.24	512.95	1,864.69

v) The total cash outflow for leases (including short-term leases) for the year ended 31 March 2025 was ₹ 583.34 million (31 March 2024: ₹ 436.73 million and 31 March 2023: ₹ 324.89 million).



54 Trade receivables ageing schedule

a) Ageing of trade receivables as at 31 March 2025
Outstanding for the following period from the invoice date:

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables	-	12.33	0.39	0.03	-	-	12.75
Considered good - unsecured	-	-	0.01	-	-	-	0.01
Credit impaired	-	-	(0.01)	-	-	-	(0.01)
Allowance for expected credit loss	-	-	-	-	-	-	-
Total	-	12.33	0.39	0.03	-	-	12.75

b) Ageing of trade receivables as at 31 March 2024
Outstanding for the following period from the invoice date:

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables	-	5.05	2.10	1.69	-	-	8.84
Considered good - unsecured	-	-	-	0.03	-	-	0.03
Credit impaired	-	-	-	(0.03)	-	-	(0.03)
Allowance for expected credit loss	-	-	-	-	-	-	-
Total	-	5.05	2.10	1.69	-	-	8.84

c) Ageing of trade receivables as at 31 March 2023
Outstanding for the following period from the invoice date:

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables	-	19.74	2.00	-	-	-	21.74
Considered good - unsecured	-	-	0.06	-	-	-	0.06
Credit impaired	-	-	(0.06)	-	-	-	(0.06)
Allowance for expected credit loss	-	-	-	-	-	-	-
Total	-	19.74	2.00	-	-	-	21.74

d) There are no disputed trade receivables as at balance sheet dates.

55 Trade payables ageing schedule

a) Ageing of trade payables as at 31 March 2025
Outstanding for the following period from the due date of payment:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables	-	134.50	5.83	-	-	-	140.33
Micro enterprises and small enterprises	-	109.54	8.58	0.01	-	-	278.00
Others	159.87	-	-	-	-	-	159.87
Total	159.87	244.04	14.41	0.01	-	-	418.33

b) Ageing of trade payables as at 31 March 2024
Outstanding for the following period from the due date of payment:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables	-	52.36	1.00	-	-	-	53.36
Micro enterprises and small enterprises	-	354.10	67.70	1.14	-	-	597.27
Others	174.33	-	-	-	-	-	174.33
Total	174.33	406.46	68.70	1.14	-	-	650.63

c) Ageing of trade payables as at 31 March 2023
Outstanding for the following period from the due date of payment:

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables	-	26.49	0.21	-	-	-	26.70
Micro enterprises and small enterprises	-	232.03	64.05	0.58	-	-	394.60
Others	97.94	-	-	-	-	-	97.94
Total	97.94	258.52	64.26	0.58	-	-	421.30

d) There are no disputed trade payables as at balance sheet dates.



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

Subsidiary at any time during the year	Nature	Principle place of business	Proportion % holding		
			31 March 2025	31 March 2024	31 March 2023
PSL Retail Private Limited	Wholly owned subsidiary	India	100%	100%	100%
Purple Style Labs UK Limited	Wholly owned subsidiary	United Kingdom	100%	100%	100%

The following entities have been consolidated in accordance with Ind AS 110:

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit/ (loss)					
	As a % of consolidated net assets	Amount	As a % of consolidated profit/(loss)	Amount	As a % of consolidated other comprehensive income/ (loss)	Amount	As a % of consolidated total comprehensive income/ (loss)	Amount
Purple Style Labs Limited (Holding Company)								
31 March 2025	281%	3,334.68	53%	(997.57)	12%	(0.90)	53%	(998.47)
31 March 2024	407%	1,662.20	(26%)	121.75	15%	(1.64)	(25%)	120.11
31 March 2023	209%	1,238.01	1%	(4.34)	105%	(1.39)	1%	(5.73)
Subsidiaries								
PSL Retail Private Limited								
31 March 2025	(156%)	(1,856.00)	44%	(829.09)	6%	(0.47)	44%	(829.56)
31 March 2024	(251%)	(1,026.67)	118%	(557.19)	7%	(0.79)	114%	(557.98)
31 March 2023	(79%)	(471.05)	93%	(386.72)	(4%)	0.05	93%	(386.67)
Purple Style Labs UK Limited								
31 March 2025	7%	85.35	3%	(62.75)	-	-	3%	(62.75)
31 March 2024	9%	36.50	10%	(48.98)	-	-	11%	(48.98)
31 March 2023	(35%)	(207.81)	16%	(67.16)	-	-	16%	(67.16)
Total elimination/adjustment on account of consolidation exercise								
31 March 2025	(32%)	(377.06)	(0%)	3.91	82%	(5.88)	0%	(1.97)
31 March 2024	(65%)	(263.26)	(2%)	7.32	78%	(8.62)	0%	(1.30)
31 March 2023	5%	33.69	(10%)	44.33	(1%)	0.01	(10%)	44.34
Total								
31 March 2025	100%	1,186.97	100%	(1,885.50)	100%	(7.25)	100%	(1,892.75)
31 March 2024	100%	408.77	100%	(477.10)	100%	(11.05)	100%	(488.15)
31 March 2023	100%	592.84	100%	(413.89)	100%	(1.33)	100%	(415.22)



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57 Segment Information

- a) The Group primarily operates under the business segment, 'Sale of multi designer apparel, accessories, jewellery, other lifestyle products and allied services thereto'. The CODM reviews the operating results of the Group primarily on overall level as one segment. According, with respect to Ind AS 108 - 'Operating Segments' as specified under Section 133 of the Act, the above segment constitutes a single reporting segment.
- b) No customer individually contributed 10% or more to the Group's revenue.
- c) The non-current assets (other than financial instruments, deferred tax assets and post-employment benefit assets) located outside India aggregates ₹ 23.43 million (31 March 2024: ₹ 47.39 million; and 31 March 2023: ₹ 66.11 million).
- d) Refer note 52(a) for revenue earned within India and outside India.

58 Contingent liabilities and capital commitments

Claims against the Company not acknowledged as debt:

During the year ended 31 March 2024, the Holding Company received an income tax demand notice amounting to ₹ 8.80 million for assessment year 2022-23 in respect of certain disallowance. The Holding Company filed an appeal in relation to the same and had deposited 20% of the demand amount with protest. Such case is pending at CIT (Appeals) and hence the timing of outflow, cannot be estimated. The Holding Company does not expect any reimbursements in respect of this contingent liability.

Capital commitments:

There are no capital commitments as at 31 March 2025, 31 March 2024 and 31 March 2023.

- 59 The Ministry of Corporate Affairs (MCA) has prescribed a 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 from 1 April 2023 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 in India 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 during the period 1 April 2023 to 11 November 2024. Further, the audit trail feature was not enabled at the database level to log any direct data changes for the said software for aforementioned period.

The Holding Company and its subsidiary in India have used another accounting software for maintaining 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 from 1 April 2023 to 6 November 2024 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.

Furthermore, other than the period mentioned above where audit trail was not enabled/available, the audit trail has been preserved as per the statutory requirements for record retention.



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60 Other statutory information

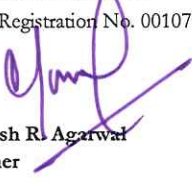
- i. The Group does not have any undisclosed income, which has not been recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax 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 thereunder.
- iii. The Group has not traded or invested in crypto currency or virtual currency during the current year or previous year.
- iv. The Group has not been declared a wilful defaulter by any bank/financial institution/government authority.
- v. The Group has not 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. The Group has no working capital limit sanctioned by banks or financial institutions based on the security over current assets.
- viii. a) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- viii. b) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall, 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.
- ix. The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 during the reporting years.
- x. The Group has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial years.

These are the notes to Special Purpose Ind AS Consolidated Financial Statements referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No. 001076N/ N500013


Rakesh R. Agarwal
Partner

Membership No. : 109632

Place: Mumbai

Date: 12 September 2025



For Kedia & Agrawal

Chartered Accountants

Firm Registration No. 140989W


Sunil Kumar Kedia
Partner

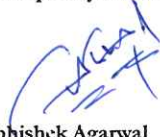
Membership No: 427613

Place: Mumbai

Date: 12 September 2025



**For and on behalf of the Board of Directors
of Purple Style Labs Limited**


Abhishek Agarwal
Whole-time director and
Chief Executive Officer
DIN : 07237807

Place: Mumbai
Date: 12 September 2025


Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 12 September 2025




Abhinav Agarwal
Whole-time director and
Chief Business Officer
DIN : 07178846

Place: Mumbai
Date: 12 September 2025


Gulshan Mumtaz Khan
Company Secretary and
Compliance Officer
Membership No: A57061
Place: Mumbai
Date: 12 September 2025