Walker Chandiok & Co LLP
Chartered Accountants
42nd Floor, Building Commerz III,
International Business Park, Oberoi Garden City,
Off Western Express Highway,
Goregaon (East),
Mumbai – 400063

Shah & Kathariya
Chartered Accountants
T6/601, Rustomjee Ozone
New Link Road,
Goregaon (West)
Mumbai – 400104

Independent Auditor's Report

To the Members of Purple Style Labs Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Purple Style Labs Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in **Annexure I**, which comprise the Consolidated Balance Sheet as at **31 March 2026**, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2026, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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





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

4. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

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

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, and covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

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

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SHAH & KATHARIYA ★ Mumbai FRN. 115171W ★ Chartered Accountants

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

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

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

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

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

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

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

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

   - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits 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. We did not audit the financial statements of two (2) subsidiaries, whose financial statements (before consolidation adjustments) reflects total assets of INR 864.55 million as at 31 March 2026, total revenues of INR 151.29 million and net cash inflows amounting to INR 50.93 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Further, the financial statements and other financial information of one (1) subsidiary located in United Kingdom has been prepared in accordance with accounting principles generally accepted in the country of its incorporation 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 subsidiaries located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries 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 opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

12. The consolidated financial statements of the Group for the year ended 31 March 2025 were jointly audited by M/s Walker Chandiok & Co LLP and M/s Kedia & Agrawal, who expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 18 June 2025.

Report on Other Legal and Regulatory Requirements

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

14. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 11 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

15. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries referred in paragraph 11 above, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS MUMBAI

SHAH & KATHARIYA Mumbai FRN. 119171W Chartered Accountants

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

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary and taken on record by the Board of Directors of the Holding Company and its subsidiary covered under the Act, none of the directors of the Holding Company and its subsidiary, are disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act;

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 57(i) to the consolidated financial statements;

ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary covered under the Act, during the year ended 31 March 2026;

iv.

a. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 61(viii)(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 61(viii)(b) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries, associates and joint ventures shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

SHAH & KATHARIYA Mumbai FRN 109171W Chartered Accountants

v. The Holding Company and its subsidiaries have not declared or paid any dividend during the year ended 31 March 2026.

vi. As stated in note 58 to the consolidated financial statements and based on our examination which included test checks, the Holding Company and its subsidiary incorporated in India, in respect of financial year commencing on or after 1 April 2025, have used two accounting softwares for maintaining their books of account and the sales, purchase and inventory records, respectively which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in such softwares. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Holding Company and its subsidiary as per the statutory requirements for record retention to the extent such feature was enabled in the previous year.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 26109632RMSHKW7856

Place: Mumbai
Date: 17 June 2026

For **Shah and Kathariya**
Chartered Accountants
Firm's Registration No.: 115171W

P.M. Kathariya
Partner
Membership No.: 031315

UDIN: 26031315VDRHIS7287

Place: Mumbai
Date: 17 June 2026

Annexure I referred to in Paragraph 1 of the Independent Auditor's Report of even date to the members of Purple Style Labs Limited on the consolidated financial statements for the year ended 31 March 2026

List of entities included in the consolidated financial statements

Holding Company:

1. Purple Style Labs Limited, India

Subsidiary Companies:

1) PSL Retail Private Limited, India
2) Purple Style Labs UK Limited, United Kingdom
3) Purple Style Labs USA, Inc., United States of America (with effect from 16 April 2025)

WALKER CHANDIOK & Co LLP CHARTERED ACCOUNTANTS MUMBAI

SHAH & KATHARIYA Chartered Accountants Mumbai FRN. 115171W

Purple Style Labs Limited (formerly, Purple Style Labs Private Limited)
Independent Auditor's Report of even date to the members of Purple Style Labs Limited on the consolidated financial statements for the year ended 31 March 2026

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

1. In conjunction with our audit of the consolidated financial statements of **Purple Style Labs Limited (formerly, Purple Style Labs Private Limited)** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended **31 March 2026**, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

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

2. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

WALKER CHANDIOK & Co LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SHAH & KATHARIYA ★ Mumbai FRN. 115717W ★ Chartered Accountants

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

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

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its one (1) subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding Company and its one (1) subsidiary company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Rakesh R. Agarwal
Partner
Membership No.: 109632

UDIN: 26109632RMSHKW7856

Place: Mumbai
Date: 17 June 2026

For **Shah and Kathariya**
Chartered Accountants
Firm's Registration No.: 115171W

P.M. Kathariya
Partner
Membership No.: 031315

UDIN: 26031315VDRHIS7287

Place: Mumbai
Date: 17 June 2026

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Balance Sheet as at 31 March 2026
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
I Non-current assets			
Property, plant and equipment	5	770.89	323.73
Capital work-in-progress	6	-	34.08
Right of use assets	7	4,165.35	1,531.88
Goodwill	8	58.13	58.13
Other intangible assets	8	13.65	16.71
Financial assets			
(i) Investments	9	-	-
(ii) Loans	10	5.98	1.14
(iii) Other financial assets	11	445.98	361.50
Deferred tax assets (net)	42	-	-
Income-tax assets (net)	12	8.94	7.29
Other non-current assets	13	73.16	71.06
Total non current assets		**5,542.08**	**2,405.52**
II Current assets			
Inventories	14	1,633.76	1,603.38
Financial assets			
(i) Trade receivables	15	31.89	12.75
(ii) Cash and cash equivalents	16	155.73	103.78
(iii) Bank balances other than cash and cash equivalents	17	-	1.01
(iv) Loans	18	5.59	5.33
(v) Other financial assets	19	136.49	150.92
Other current assets	20	790.49	687.82
Total current assets		**2,753.95**	**2,564.99**
TOTAL ASSETS		**8,296.03**	**4,970.51**
EQUITY AND LIABILITIES			
III Equity			
Equity share capital	21	682.35	0.41
Other equity	22	(1,205.13)	1,174.56
Equity attributable to the owners of the Holding Company		**(522.78)**	**1,174.97**
Non-controlling interests		-	-
Total equity		**(522.78)**	**1,174.97**
Liabilities			
IV Non-current liabilities			
Financial liabilities			
(i) Borrowings	23	-	-
(ii) Lease liabilities	25	3,470.33	1,461.20
Provisions	26	39.34	25.36
Total non current liabilities		**3,509.67**	**1,486.56**

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

SHAH & KATHARIYA Mumbai FRN. 115471W Chartered Accountants

PURPLE STYLE LABS LIMITED MUMBAI

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Balance Sheet as at 31 March 2026
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
V Current liabilities			
Financial liabilities			
(i) Borrowings	23	3,714.02	1,127.91
(ii) Lease liabilities	27	654.65	282.70
(iii) Trade payables	28		
- Total outstanding dues of micro and small enterprises		145.46	140.33
- Total outstanding dues of creditors other than micro and small enterprises		257.01	278.00
(iv) Other financial liabilities	29	66.86	27.44
Other current liabilities	30	462.89	447.26
Provisions	31	8.25	5.34
Total current liabilities		**5,309.14**	**2,308.98**
TOTAL LIABILITIES		**8,818.81**	**3,795.54**
TOTAL EQUITY AND LIABILITIES		**8,296.03**	**4,970.51**

The accompanying summary statement of material accounting policies and other explanatory information are an integral part of the Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 17 June 2026

For Shah & Kathariya
Chartered Accountants
Firm Registration No. 115171W

P. M. Kathariya
Partner
Membership No: 031315

Place: Mumbai
Date: 17 June 2026

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: 17 June 2026

Abhinav Agarwal
Whole-time director
DIN: 07178846

Place: Mumbai
Date: 17 June 2026

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 17 June 2026

Gulshan Mumtaz Khan
Company Secretary and
Compliance Officer
Membership No: A57061

Place: Mumbai
Date: 17 June 2026

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2026
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	32	5,578.38	4,899.09
Other income	33	92.31	40.92
Total income		**5,670.69**	**4,940.01**
Expenses			
Cost of materials consumed	34	20.94	12.90
Purchases of stock-in-trade	35	3,498.27	3,025.87
Changes in inventories of finished goods, stock-in-trade and work-in-progress	36	(35.23)	(200.04)
Employee benefits expense	37	819.96	662.08
Finance costs	38	970.87	529.73
Depreciation and amortisation expenses	39	1,007.49	546.30
Other expenses	40	1,063.10	1,019.32
Total expenses		**7,345.40**	**5,596.16**
Loss before exceptional item and tax		**(1,674.71)**	**(656.15)**
Exceptional item - expense/ (income)	41	1,179.28	1,227.68
Loss before tax		**(2,853.99)**	**(1,883.83)**
Tax expense/(credit), net	42		
(i) Current tax		-	-
(ii) Deferred tax		-	-
		-	-
Loss after tax		**(2,853.99)**	**(1,883.83)**
Other comprehensive income/ (loss)	43		
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans (loss)		(6.41)	(1.37)
- Income tax relating to above		-	-
Items that will be reclassified to profit or loss			
- Exchange difference on translation of foreign operation		(16.64)	(5.88)
- Income tax relating to above		-	-
Other comprehensive income/ (loss), net of tax		**(23.05)**	**(7.25)**
Total comprehensive income/ (loss)		**(2,877.04)**	**(1,891.08)**
Loss attributable to:			
- Owners of the Holding Company		(2,853.99)	(1,883.83)
- Non controlling interests		-	-
Other comprehensive loss attributable to:			
- Owners of the Holding Company		(23.05)	(7.25)
- Non controlling interests		-	-
Total comprehensive loss attributable to:			
- Owners of the Holding Company		(2,877.04)	(1,891.08)
- Non controlling interests		-	-

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

SHAH & KATHARIYA Mumbai FRN. 115171W Chartered Accountants

PURPLE STYLE LABS LIMITED MUMBAI

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2026
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Earnings/(losses) per equity share attributable to owners of the Holding Company	44		
Basic and Diluted (in ₹)		(41.98)	(29.00)
Face value per share (in ₹)		10.00	10.00

The accompanying summary statement of material accounting policies and other explanatory information are an integral part of the Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 17 June 2026

For Shah & Kathariya
Chartered Accountants
Firm Registration No. 115171W

P. M. Kathariya
Partner
Membership No: 031315

Place: Mumbai
Date: 17 June 2026

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: 17 June 2026

Abhinav Agarwal
Whole-time director
DIN: 07178846

Place: Mumbai
Date: 17 June 2026

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 17 June 2026

Gulshan Mumtaz Khan
Company Secretary and Compliance Officer
Membership No: A57061

Place: Mumbai
Date: 17 June 2026

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Statement of Cash Flows for the year ended 31 March 2026
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Cash flow from operating activities			
Loss before tax		**(2,853.99)**	**(1,883.83)**
Adjustments for :			
Depreciation and amortisation expense	39	1,007.49	546.30
Share based payment expense	41	1,179.28	1,227.68
Interest income	33	(53.33)	(26.59)
Loss on sale of property, plant and equipment (net)	40	0.30	-
Reversal of impairment loss on investment	33	(0.69)	-
Gain on termination of lease (net)	33	(28.84)	-
Gain on fair valuation of investments	33	-	(3.93)
Bad debts written off	40	0.04	1.36
Provision for inventory obsolescence	36	183.64	105.30
Finance costs	38	969.67	529.50
Liability written back	33	1.19	(3.36)
Effect of exchange rate on translation of operating cashflows		(16.64)	(5.88)
Operating profit before working capital changes		**388.12**	**486.55**
Changes in working capital:			
(Increase) in inventories	14	(214.03)	(304.67)
(Increase) in trade receivables	15	(19.18)	(5.27)
(Increase) in other financial assets		(326.96)	(259.24)
(Increase) in other assets		(112.59)	(179.89)
(Decrease) in trade payables	28	(92.43)	(264.95)
Increase in provisions	26 & 31	10.47	8.07
Increase/ (Decrease) in other financial liabilities	29	3.67	(8.00)
Increase in other liabilities	30	15.63	76.19
Cash used in operations		**(347.30)**	**(451.21)**
Taxes (paid)/ refunds (net)	42	(1.65)	(0.64)
Net cash used in operating activities (A)		**(348.95)**	**(451.85)**
Cash flow from investing activities			
Purchase of property, plant and equipment (including movement in capital work-in-progress, capital advances and capital creditors)		(489.07)	(149.37)
Proceeds from sale of property, plant and equipment		0.79	0.01
Proceeds from sale of investments	9	0.69	30.13
Interest received on fixed deposits		0.08	0.07
Effect of exchange rate on translation of investing cashflows		(37.03)	(1.97)
Net cash used in investing activities (B)		**(524.54)**	**(121.13)**
Cash flow from financing activities			
Proceeds from issue of shares including premium collected	21 & 22	0.01	1,482.50
Expenses incurred on issue of shares	22	-	(39.23)
Proceeds from non-current borrowings	23	1,788.33	1,121.50
Repayment of non-current borrowings (including current maturities)	23	(1,121.59)	(1,050.11)
Proceeds from short term borrowings	23	2,324.69	748.42
Repayment of short term borrowings	23	(506.54)	(854.70)
Payment of interest on borrowings	38	(347.80)	(222.45)
Payment of lease liabilities	52	(789.45)	(269.23)
Payment of interest on lease liabilities	52	(478.19)	(273.15)
Effect of exchange rate on translation of financing cashflows		55.98	1.30
Net cash generated from financing activities (C)		**925.44**	**644.85**

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SHAH & KATHARIYA Mumbai FRN 105171W Chartered Accountants

PURPLE STYLE LABS LIMITED MUMBAI

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Statement of Cash Flows for the year ended 31 March 2026
(₹ in million, except for share data and, if otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Net increase in cash and cash equivalents (A+B+C)		**51.95**	**71.87**
Cash and cash equivalents at the beginning of the year	16	103.78	31.91
Cash and cash equivalents at the end of the year	16	**155.73**	**103.78**
Cash and cash equivalents comprise of :			
Cash on hand		10.86	15.25
Balances with banks			
- in current accounts		144.87	88.53
		155.73	**103.78**

Notes:

i) Figures in brackets represents outflow of cash and cash equivalents.

ii) The Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 - 'Statement of Cash Flows'.

iii) Acquisition and deletion of right of use assets have been considered as non cash investing activities during the reporting periods.

iv) Refer note 24 for reconciliation of cash flows from financing activities as required as per Ind AS.

v) Grant of loans to the employees have been considered as a part of operating activities for cash flow purpose.

The accompanying summary statement of material accounting policies and other explanatory information are an integral part of the Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 17 June 2026

For Shah & Kathariya
Chartered Accountants
Firm Registration No. 115171W

P. M. Kathariya
Partner
Membership No: 031315

Place: Mumbai
Date: 17 June 2026

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

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Whole-time director and Chief Executive Officer
DIN: 07237807

Place: Mumbai
Date: 17 June 2026

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Whole-time director
DIN: 07178846

Place: Mumbai
Date: 17 June 2026

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 17 June 2026

Gulshan Mumtaz Khan
Company Secretary and Compliance Officer
Membership No: A57061

Place: Mumbai
Date: 17 June 2026

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Consolidated Statement of Changes in Equity for the year ended 31 March 2026
(₹ 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 01 April 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 during the year	8,797	0.09	-	-	0.09
Add: Class 1 CCPS converted into equity during the	100	0.00	-	-	0.00
As at 31 March 2025	**30,930**	**0.31**	**11,000**	**0.10**	**0.41**
Add: Partly paid-up converted into fully paid-up equity shares	11,000	0.11	(11,000)	(0.10)	0.01
Add: Issue of bonus shares during the year	6,61,43,790	661.44			661.44
Add : CCPS converted into equity during the year	20,47,410	20.47	-	-	20.47
Add : Class 1 CCPS converted into equity during the year	1,870	0.02	-	-	0.02
As at 31 March 2026	**6,82,35,000**	**682.35**	**-**	**-**	**682.35**

(0.00 represents amounts below ₹ 5000)

B) Other equity (Refer note 22)

Particulars	Equity component of compulsorily convertible preference shares (Refer note below)	Reserves and Surplus			Other reserve	Total
		Securities premium	Employee stock option reserve	Retained earnings	Foreign currency translation reserve	
Balance as at 01 April 2024	**20.03**	**2,750.61**	-	**(2,357.26)**	**(18.57)**	**394.81**
Conversion of CCPS into Equity shares of ₹ 10 each	(0.09)	-	-	-	-	**(0.09)**
Conversion of Class 1 CCPS into Equity shares of ₹ 10 each	(1.00)	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	-	-	-	(1,883.83)	-	**(1,883.83)**
Other comprehensive income/ (loss) for the year	-	-	-	(1.37)	-	**(1.37)**
Exchange difference on translation of foreign operation	-	-	-	-	(5.88)	**(5.88)**
Balance as at 31 March 2025	**18.94**	**4,194.85**	**1,227.68**	**(4,242.46)**	**(24.45)**	**1,174.56**
Conversion of CCPS into equity shares of ₹ 10 each	(0.24)	(20.23)	-	-	-	**(20.47)**
Conversion of Class 1 CCPS into equity shares of ₹ 10 each	(18.70)	18.68	-	-	-	**(0.02)**
Issue of bonus shares during the year	-	(661.44)	-	-	-	**(661.44)**
Share based payment (Refer note 41)	-	-	1,185.05	-	-	**1,185.05**
Reversal of employee stock option reserve on forfeiture of stock options (Refer note 22)	-	-	(5.77)	-	-	**(5.77)**
Profit/ (loss) for the year	-	-	-	(2,853.99)	-	**(2,853.99)**
Other comprehensive income/ (loss) for the year	-	-	-	(6.41)	-	**(6.41)**
Exchange difference on translation of foreign operation	-	-	-	-	(16.64)	**(16.64)**
Balance as at 31 March 2026	**-**	**3,531.86**	**2,406.96**	**(7,102.86)**	**(41.09)**	**(1,205.13)**

Note:
The Holding Company had 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 details.

The accompanying summary statement of material accounting policies and other explanatory information are an integral part of the Consolidated Financial Statements.

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

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

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 17 June 2026

For Shah & Kathariya
Chartered Accountants
Firm Registration No. 115171W

P. M. Kathariya
Partner
Membership No: 031315

Place: Mumbai
Date: 17 June 2026

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: 17 June 2026

Abhinav Agarwal
Whole-time director

DIN: 07178846

Place: Mumbai
Date: 17 June 2026

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 17 June 2026

Gulshan Mumtaz Khan
Company Secretary and Compliance Officer
Membership No: A57061

Place: Mumbai
Date: 17 June 2026

Purple Style Labs Limited (Formerly known as Purple Style Labs Private Limited)
Notes to the Consolidated Financial Statements as at and for the year ended 31 March 2026

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 three wholly owned subsidiaries namely, PSL Retail Private Limited (incorporated in India), Purple Style Labs UK Limited (incorporated in the United Kingdom) and Purple Style Labs USA, Inc. (incorporated in the United States of America). The Holding Company together with its subsidiaries is hereafter 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 modelled around retail of apparel, jewellery, accessories and other lifestyle products of various designer brands, providing a one stop solution to all shopping and styling needs of customers under the brand name, Pernia's Pop-Up Shop through its online presence (i.e. www.perniaspopupshop.com and a mobile app)and physical stores in the name and style of Pernia's Pop-Up Studio. The Group also owns and operates apparel and lifestyle brands and provides technical and other value-added services to third party designer/ fashion brands.

2. Basis of preparation

A. Statement of compliance

The 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 other relevant provisions of the Act, including the presentation and disclosure requirements of Division II of Schedule III to the Act.

The Group has transitioned to Ind AS in the financial year ended 31 March 2025 using 01 April 2023 as the transition date.

The consolidated financial statements for the year ended 31 March 2026 were approved by the Board of Directors of the Holding Company ("Board of Directors") on 17 June 2026.

The consolidated financial statements comprise the 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%
Purple Style Labs USA, Inc. (w.e.f. 16 April 2025)	United States of America	100%

The 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 Consolidated Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised 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.

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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
- 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 realisation 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 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.

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 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 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 Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet, respectively.

Notes to the 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 consolidated financial statements. Further, additional statutory information disclosed in standalone financial statements of the subsidiary and/or a Holding Company having no bearing on the true and fair view of the consolidated financial statements has not been disclosed in the consolidated financial statements.

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

D. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee (INR / ₹), which is also the Holding Company's functional currency. All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest million, unless otherwise stated. Any amount appearing in 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;
- 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 Consolidated Statement of Profit and Loss, as part of the gain or loss on disposal.







E. Application of new standards and amendments

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 consolidated financial statements, MCA has notified the below amendments, which are applicable for reporting period beginning on or after 1 April 2025:

(a) Lack of exchangeability - Amendments to Ind AS 21
(b) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1.
(c) Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107
(d) International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

Based on the Group's assessment, the application of these amendments has not had a material impact on these consolidated financial statements.

F. Standards which are issued but are not yet effective

MCA vide notification dated 13 August 2025, has introduced amendment of Ind AS 1 which requires the entity to classify the liability as current if at the end of the reporting period, entity does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 01 April 2026 retrospectively in accordance with Ind AS 8. This amendment has not been early adopted by the Group and is not expected to have a material impact on the Group's Consolidated Financial Statements.

3. Summary of material accounting policy information

A. Foreign currency transactions

Transactions in foreign currency are initially 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 reporting date and exchange gain or loss arising on their settlement and restatement are recognised in the 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 (accumulated in foreign currency translation reserve) if they are attributable to part of Group's 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 recognises 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 Company at a point in time when control of the products is transferred to the customer, which is generally upon delivery to the customer, in accordance with the agreed terms of sale.

The revenue is recognized at the transaction price of goods sold and services rendered which is net of variable consideration such as discounts, loyalty points etc. offered by the Group and indirect taxes collected on behalf of the government.

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SHAH & KATHARIYA Mumbai FRN. 105171W Chartered Accountants
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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.

Income other than the above, is recognised when the Group's right to receive such income is established, it is probable that the economic benefits will flow to the Group and the amount can be measured reliably.

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 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 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

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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 realised.

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 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 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. The provision for inventory obsolescence is based on ageing of the inventories and management estimate of realisable value at the reporting date.

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 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 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 in the 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 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 Consolidated Statement of Profit and Loss. In respect of equity investments that are not designated at fair value through profit or loss, are irrevocably measured at fair value through other comprehensive income, with subsequent changes in fair value recognised in Other Comprehensive Income. Such an election is made by the Group 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.

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 Consolidated Statement of Profit and Loss.

e) De-recognition of financial assets

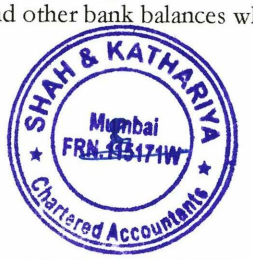
The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

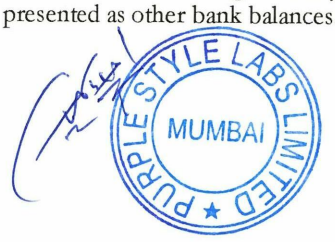
If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Group retains substantially all the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

f) Cash and cash equivalents

For the purpose of presentation in the 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 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 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 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 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 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 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 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 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 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 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 estimated useful life and remaining lease term

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 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 capitalised where it is expected to provide enduring economic benefits and are amortised 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 cash-generating unit may be impaired. An impairment loss is recognised when the carrying amount of the cash-generating unit, including goodwill, exceeds its recoverable 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.

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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 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. Borrowing 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 capitalised 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 in the period in which they are incurred.

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 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 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 Consolidated Statement of Changes in Equity and in the 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 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 satisfied. However, where awards include market or non-vesting conditions, the transactions are treated as vested irrespective of whether such market or non-vesting conditions are satisfied, provided that all other service and/or non-market performance conditions are satisfied.

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, unless anti-dilutive.

N. Exceptional items

When an item of income or expense within the 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") in order to allocate resources and assess performance. The CODM comprise of chief executive officer ("CEO") and executive directors of the Holding Company.

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. Where an equity issuance is abandoned or does not proceed, the related costs are recognised as an expense in the Statement of Profit and Loss when it becomes evident that the issuance will not be completed.

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4. Critical estimates and judgements

The preparation of 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 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 and Purple Style Labs USA, Inc. for which the tax jurisdiction is the United States of America. 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 standalone 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 historical credit loss experience, ageing of receivables, customer profiles, current economic conditions and supportable forward-looking information.

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 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 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.

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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 to the extent it is probable that future taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised. Where the Group has a history of recent losses, deferred tax assets arising from unused tax losses are recognised only to the extent there is convincing evidence that sufficient taxable profit will be available against which such losses can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, 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.

K. 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 accumulated depreciation and impairment losses (if any), and adjusted for any re-measurement of lease obligations. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and difference between the cash outflow and the present value of security deposit receivable at end of the lease term. Right of use assets are depreciated on a straight-line basis over the lease term at the time of initial recognition, and in case of any modification in the obligation, it is depreciated over the remaining term of the lease.

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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 01 April 2024	**278.68**	**26.74**	**78.52**	**7.52**	**0.82**	**392.28**
Additions during the year	73.87	3.78	12.06	10.75	-	100.46
Disposals during the year	(34.50)	-	(0.37)	(0.01)	-	(34.88)
As at 31 March 2025	**318.05**	**30.52**	**90.21**	**18.26**	**0.82**	**457.86**
Additions during the year	374.57	4.94	120.26	66.96	-	566.73
Disposals during the year	-	-	(1.30)	-	-	(1.30)
Foreign translation (gain)/ loss	5.25	0.07	3.73	0.19	-	9.24
As at 31 March 2026	**697.87**	**35.53**	**212.90**	**85.41**	**0.82**	**1,032.53**
Accumulated depreciation						
As at 01 April 2024	**26.43**	**9.60**	**2.71**	**2.08**	**0.15**	**40.97**
Depreciation for the year	103.80	10.79	10.41	3.07	0.15	128.22
Disposal of assets	(34.50)	-	-	-	-	(34.50)
Foreign translation (gain)/ loss	-	-	(0.55)	(0.01)	-	(0.56)
As at 31 March 2025	**95.73**	**20.39**	**12.57**	**5.14**	**0.30**	**134.13**
Depreciation for the year	96.71	6.79	14.31	9.66	0.15	127.62
Disposal of assets	-	-	(0.21)	-	-	(0.21)
Foreign translation (gain)/ loss	-	0.00	0.10	0.00	-	0.10
As at 31 March 2026	**192.44**	**27.18**	**26.77**	**14.80**	**0.45**	**261.64**
Net carrying amount						
As at 31 March 2025	**222.32**	**10.13**	**77.64**	**13.12**	**0.52**	**323.73**
As at 31 March 2026	**505.43**	**8.35**	**186.13**	**70.61**	**0.37**	**770.89**

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

6 Capital work-in-progress (CWIP)

Particulars	31 March 2026	31 March 2025
Opening balance	**34.08**	**8.12**
Additions during the year	335.89	101.27
Capitalised during the year	(369.97)	(75.31)
Closing balance	**-**	**34.08**

Capital work-in-progress ageing schedule

Particulars	CWIP as at 31 March 2026				
	< 1 Year	1 to 2 years	2 to 3 years	> 3 years	Total
Projects-in-progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

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

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 2026 is Nil (31 March 2025: Nil).

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7 Right of use assets

Particulars	Right of use Assets - Building
Gross carrying amount	
As at 01 April 2024	**2,163.23**
Additions during the year	89.52
Deletion/ lease modification adjustment	(29.73)
Foreign exchange adjustment	4.50
As at 31 March 2025	**2,227.52**
Additions during the year	3,615.85
Deletion/ lease modification adjustment	(550.32)
Foreign exchange adjustment	37.48
As at 31 March 2026	**5,330.53**
Accumulated depreciation	
As at 01 April 2024	**320.06**
Depreciation for the year	402.22
Deletion/ lease modification adjustment	(29.73)
Foreign exchange adjustment	3.09
As at 31 March 2025	**695.64**
Depreciation for the year	876.81
Deletion/ lease modification adjustment	(416.85)
Foreign exchange adjustment	9.58
As at 31 March 2026	**1,165.18**
Net carrying amount	
As at 31 March 2025	**1,531.88**
As at 31 March 2026	**4,165.35**

Note:
Refer note 52 for disclosures under Ind AS 116.

8 Intangible assets and goodwill

Particulars	Softwares	Goodwill	Total
Gross carrying amount (deemed cost)			
As at 01 April 2024	**22.87**	**70.91**	**93.78**
Additions during the year	-	-	-
Disposals during the year	-	-	-
As at 31 March 2025	**22.87**	**70.91**	**93.78**
Additions during the year	-	-	-
Disposals during the year	-	-	-
As at 31 March 2026	**22.87**	**70.91**	**93.78**
Accumulated amortisation			
As at 01 April 2024	**3.08**	**-**	**3.08**
Amortisation for the year	3.08	-	3.08
Disposal of assets	-	-	-
Impairment (Refer notes below)	-	12.78	12.78
As at 31 March 2025	**6.16**	**12.78**	**18.94**
Amortisation for the year	3.06	-	3.06
Disposal of assets	-	-	-
Impairment (Refer notes below)	-	-	-
As at 31 March 2026	**9.22**	**12.78**	**22.00**
Net carrying amount			
As at 31 March 2025	**16.71**	**58.13**	**74.84**
As at 31 March 2026	**13.65**	**58.13**	**71.78**

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 2024. 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, 'Wendell Rodricks' and 'Hemant Trevedi', which also has an impact on the margins and net cash flow generated from the said product lines. Hence, in view of the same, the Group had 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.

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9 Investments

Particulars	As at 31 March 2026	As at 31 March 2025
Investment in equity instruments - carried at fair value through profit and loss (FVTPL) - (Unquoted, fully paid-up)		
- Pinkcow Designs Private Limited Nil (31 March 2025: 1,625) shares of ₹ 10 each (Refer note i below)	-	6.50
Less: Impairment allowance	-	(6.50)
Total	**-**	**-**
Other disclosures for investments:		
- Aggregate amount of quoted investments	-	-
- Aggregate amount of unquoted investments	-	6.50
- Aggregate amount of impairment in value of investments	-	(6.50)

Notes:

i) During the year ended 31 March 2026, the Holding Company sold 1,625 shares on 27 February 2026 of its investment in Pinkcow Designs Private Limited for a consideration of ₹ 0.69 million.

ii) Pursuant to the board resolutions passed on 18 July 2023 and 22 November 2023, the Holding Company had acquired a total of 262 equity shares of Landcraft Retail Private Limited. Subsequently, pursuant to the board resolution passed by the Holding Company on 3 March 2025, the Holding Company sold the entire investment and the resultant gain has been recognised in the Consolidated Statement of Profit and Loss in the previous year.

iii) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

iv) Refer note 49 for disclosures pertaining to financial risk management.

10 Non-current financial asset - loans

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Loan to employees	5.98	1.14
Total	**5.98**	**1.14**

Notes:

i) 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.

ii) There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at 31 March 2026 (Nil as at 31 March 2025).

iii) There are neither any loans to directors or other officers of the Company due, either availed severally or jointly with any other persons, nor any amounts outstanding from firms or private companies outside the Group in which any director is a partner or a director or a member.

iv) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

v) Refer note 49 for disclosures pertaining to financial risk management.

11 Other non-current financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Security deposits	444.98	361.50
Deposits with banks having remaining maturity period of more than twelve months	1.00	-
Total	**445.98**	**361.50**

Notes:

i) There are no security deposits or deposits with bank having significant increase in credit risk or which are credit impaired or doubtful as at 31 March 2026 (Nil as at 31 March 2025).

ii) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

iii) Refer note 49 for disclosures pertaining to financial risk management.

12 Income tax assets (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Income tax assets [Refer note 42 (c)]	8.94	7.29
Total	**8.94**	**7.29**

Note:

The above amount is net of provision for income tax amounting to Nil as at 31 March 2026 (31 March 2025: Nil). The amount as at 31 March 2026 includes ₹ 1.76 million paid under protest (31 March 2025: ₹ 1.76 million).

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13 Other non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with government authorities (net)	66.24	59.72
Capital advances (Refer note below)	3.46	11.30
Prepaid expenses	3.46	0.04
Total	**73.16**	**71.06**

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 in which any director is a partner or a director or a member, respectively.

14 Inventories

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	0.46	5.31
Finished goods	6.33	13.84
Stock-in-trade (includes goods-in-transit inventory amounting to ₹ 20.81 million (31 March 2025: ₹ 10.13 million)	1,626.97	1,584.23
Total	**1,633.76**	**1,603.38**

Notes:

i) As at 31 March 2026, the Group carries a provision for inventory obsolescence primarily due to ageing of inventory, amounting to ₹ 14.20 million for finished goods (31 March 2025 ₹ 7.10 million) and ₹ 243.15 million for stock-in-trade (31 March 2025: ₹ 162.55 million).

During the year ended 31 March 2026, the Group has accounted for a provision for inventory obsolescence amounting to ₹ 7.98 million for finished goods (31 March 2025 ₹ 2.42 million) and ₹ 175.66 million for stock-in-trade (31 March 2025: ₹ 102.88 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 2026	As at 31 March 2025
Unsecured, considered good		
Considered good		
-Others	31.89	12.75
Credit impaired	0.01	0.01
Less: Expected credit loss	(0.01)	(0.01)
Total	**31.89**	**12.75**

Notes:

i) For trade receivables ageing, refer note 53. For movement in expected credit loss, refer note 49A.

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 2026 (31 March 2025: Nil)

iv) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

v) Refer note 49 for disclosures pertaining to financial risk management.

16 Cash and bank balances

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	10.86	15.25
Balance with banks		
- in current accounts	144.87	88.53
Total	**155.73**	**103.78**

Notes:

i) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

ii) Refer note 49 for disclosures pertaining to financial risk management.







17 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	-	1.01
Total	**-**	**1.01**

Notes:

i) The fixed deposits have been kept as lien for credit card availed by the Group.

ii) There are no deposits with bank having significant increase in credit risk or which are credit impaired or doubtful as at 31 March 2026 (Nil as at 31 March 2025).

iii) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

iv) Refer note 49 for disclosures pertaining to financial risk management.

18 Current financial asset - loans

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Loan to employees	5.59	5.33
Total	**5.59**	**5.33**

Notes:

i) 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.

ii) There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at 31 March 2026 (Nil as at 31 March 2025).

iii) There are neither any loans to directors or other officers of the Group due, either availed severally or jointly with any other persons, nor any amounts outstanding from firms or private companies outside the Group in which any director is a partner or a director or a member.

iv) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

v) Refer note 49 for disclosures pertaining to financial risk management.

19 Other current financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Security deposits	73.79	84.66
Other receivables*	62.70	66.26
Total	**136.49**	**150.92**

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

Notes:

i) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

ii) Refer note 49 for disclosures pertaining to financial risk management.

20 Other current assets

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with government authorities (net)	579.48	516.32
Advances to suppliers (Refer note (i) below)	76.86	132.40
Prepaid expenses	13.24	39.10
Share issue expenses (Refer note (ii) below)	120.91	-
Total	**790.49**	**687.82**

Notes:

i) 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 in which any director is a partner or a director or a member, respectively.

ii) Pertains to expenses incurred by the Holding Company towards proposed Initial Public Offering (IPO) of the equity shares of the Holding Company, which will be adjusted with securities premium at the time of issue of shares in accordance with the requirement of Section 52 of the Act. Management has evaluated the nature of these costs and considers that these are incremental and attributable to the proposed equity issuance. If the proposed IPO does not proceed or if any portion is determined not to qualify for adjustment against securities premium, such amount will be recognised in the statement of profit and loss in the forthcoming reporting period(s).

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21 Equity share capital

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of ₹ 10 each	10,01,00,000	1,001.00	1,00,000	1.00
0.001% Compulsorily Convertible Preference Shares of ₹ 10 each ("CCPS")	1,50,000	1.50	1,50,000	1.50
0.001% Class 1 Compulsorily Convertible Preference shares of ₹ 10,000 each ("Class 1 CCPS")	8,000	80.00	8,000	80.00
Total	**10,02,58,000**	**1,082.50**	**2,58,000**	**82.50**
Equity share capital				
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10 each	6,82,35,000	682.35	30,930	0.31
Issued, subscribed and partly paid up shares				
Equity shares of ₹ 10 each paid upto ₹ 9 each (partly paid)	-	-	11,000	0.10
Total	**6,82,35,000**	**682.35**	**41,930**	**0.41**

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 each				
Fully paid up				
Balance at the beginning of the year	**30,930**	**0.31**	**19,068**	**0.19**
Add : Issued during the year	-	-	2,965	0.03
Add: Partly paid-up converted into fully paid-up equity shares	11,000	0.11	-	-
Add: Bonus shares issued during the year	6,61,43,790	661.44	-	-
Add : CCPS converted into equity	20,47,410	20.47	8,797	0.09
Add : Class 1 CCPS converted into equity	1,870	0.02	100	0.00
Balance at the end of the year	**6,82,35,000**	**682.35**	**30,930**	**0.31**
Partly paid up				
Balance at the beginning of the year	**11,000**	**0.10**	**11,000**	**0.10**
Converted to fully paid during the year	(11,000)	(0.10)	-	-
Balance at the end of the year	**-**	**-**	**11,000**	**0.10**
Total	**6,82,35,000**	**682.35**	**41,930**	**0.41**

(0.00 represents amounts below ₹ 5,000)

Notes:

i) The Holding Company has increased its authorised share capital, vide approval of the shareholders at their meeting held on 28 August 2025, with respect to equity shares of ₹ 10 each from ₹ 1.00 million to ₹ 1,001.00 million, thereby increasing the aggregate authorised share capital of the Holding Company from ₹ 82.50 million to ₹ 1,082.50 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 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		
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	-
Class 1 CCPS into equity shares	05-Nov-24	100	10	9,990
		8,897		

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Particulars	Board resolution date	No. of shares	Face value per share	Securities premium per share
For the year ended 31 March 2026				
Bonus issue				
Equity shares of ₹ 10 each	30-Aug-25	6,61,43,790	10	-
		6,61,43,790		
Conversion of CCPS				
CCPS into equity shares	09-Jun-25	20,543	10	-
Class 1 CCPS into equity shares	09-Jun-25	1,845	10	9,990
CCPS into equity shares	19-Jul-25	1,867	10	-
Class 1 CCPS into equity shares	19-Jul-25	25	10	9,990
CCPS into equity shares	08-Sep-25	20,25,000	10	-
		20,49,280		
Conversion of partly paid up equity shares				
Partly paid up equity shares into fully paid up	19-Jul-25	11,000	10	-
		11,000		

Note:
During the year ended 31 March 2026 :
(i) Pursuant to the first and final call made by the Board of Directors of the Holding Company on 18 June 2025 for which money from the shareholders was received on 24 June 2025, 11,000 partly paid up equity shares were converted to fully paid up equity shares of ₹ 10 each and the said change was noted by the board of directors in its meeting held on 19 July 2025.

(ii) Pursuant to the resolutions passed by the Board of Directors of the Holding Company on 9 June 2025 and 19 July 2025, the Holding Company has further converted (a) 20,543 CCPS of ₹ 10 each and 1,845 Class 1 CCPS of ₹ 10,000 each into 22,388 equity shares of ₹ 10 each; and (b) 1,867 CCPS of ₹ 10 each and 25 Class 1 CCPS of ₹ 10,000 each into 1,892 equity shares of ₹ 10 each, respectively, in the ratio of 1:1.

(iii) Pursuant to the approval of the shareholders at the Extraordinary General Meeting held on 28 August 2025, the Holding Company issued bonus equity shares in the ratio of 999 equity shares for every 1 equity share held as on the record date i.e. 29 August 2025. The said bonus shares were alloted to the relevant shareholders vide board resolution dated 30 August 2025. In light of this bonus issuance, the conversion ratio of compulsorily convertible preference shares outstanding as on the record date was proportionately adjusted to ensure that the value of such preference shareholders is not diluted. Subsequently, vide board resolution dated 8 September 2025, 2,025 CCPS were converted into 2,025,000 equity shares of ₹ 10 each. Separately, holders of employee stock options under ESOP Scheme 2024 will be entitled to the said bonus issuance, in accordance with applicable laws and as per the shareholders resolution passed on 28 August 2025.

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	%	Number	%
Equity shares of ₹ 10 each (including partly paid up shares)				
Abhishek Agarwal	1,91,00,000	27.99%	20,000	47.70%
Total	**1,91,00,000**	**27.99%**	**20,000**	**47.70%**

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

Particulars	Number of shares as at 31 March 2026	% of total shares as at 31 March 2026	Number of shares as at 31 March 2025	% of total shares as at 31 March 2025	% change during the year ended 31 March 2026*	Number of shares as at 31 March 2024	% of total shares as at 31 March 2024	% change during the year ended 31 March 2025*
Abhishek Agarwal	1,91,00,000	27.99%	20,000	47.70%	(19.71%)	20,457	68.04%	(20.34%)

*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

As at 31 March 2026, pursuant to the shareholders' resolution dated 28 August 2025, the Holding Company has issued 999 bonus shares against each equity shares held by its shareholders appearing as members as on the record date of 29 August 2025 aggregating to 6,61,43,790 equity shares of ₹ 10 each. Except this bonus issuance, 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 2026, the Holding Company has reserved Nil equity shares for conversion of compulsorily convertible preference shares (31 March 2025: 26,305 shares). Refer note 22A for the terms attached to the compulsorily convertible preference shares.

In relation to the employee stock options granted under ESOP Scheme 2024, as at 31 March 2026, the Holding Company has reserved 5,000 equity shares (31 March 2025: 4,332) to be allotted to the option holders upon exercise. Additionally, pursuant to the ESOP Scheme 2024 and the applicable laws, the Holding Company has also reserved 4,995,000 bonus equity shares to be allotted to the said option holders upon exercise, on account of the issue of bonus shares in the financial year ended 31 March 2026. 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 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Issued, subscribed and fully paid up shares				
CCPS of ₹ 10 each	-	-	24,435	0.24
Class 1 CCPS of ₹ 10,000 each	-	-	1,870	18.70
Total	**-**	**-**	**26,305**	**18.94**

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
CCPS of ₹ 10 each				
Fully paid up				
Balance at the beginning of the year	**24,435**	**0.24**	**33,232**	**0.33**
Less: Converted during the year into equity shares	(24,435)	(0.24)	(8,797)	(0.09)
Balance at the end of the year	**-**	**-**	**24,435**	**0.24**
Class 1 CCPS of ₹ 10,000 each				
Fully paid up				
Balance at the beginning of the year	**1,870**	**18.70**	**1,970**	**19.70**
Less: Converted during the year into equity shares	(1,870)	(18.70)	(100)	(1.00)
Balance at the end of the year	**-**	**-**	**1,870**	**18.70**
Total	**-**	**-**	**26,305**	**18.94**

Note:

For conversion of preference shares into equity shares of ₹ 10 each by the Holding Company during the years ended 31 March 2026 and 31 March 2025, refer note (ii) of Note 21(I).

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	%	Number	%
CCPS of ₹ 10 each				
Jitender Kumar Bansal	-	-	2,395	9.80%
Volrado Venture Partners Fund II	-	-	2,025	8.29%
	-	**-**	**4,420**	**18.09%**
Class 1 CCPS of ₹ 10,000 each				
Singularity Growth Opportunities Fund I	-	-	500	26.74%
Kalpraj Damji Dharamshi jointly with Hina Kalpraj Dharamshi	-	-	200	10.70%
Signet Capital Private Limited	-	-	156	8.34%
Mrudula Sushilkumar Parekh	-	-	150	8.02%
Ramrod Advisors LLP	-	-	100	5.35%
Astarc Ventures Private Trust	-	-	50	2.67%
KP Sanghvi Infrastructures LLP	-	-	100	5.35%
	-	**-**	**1,256**	**67.17%**

Note:

As at 31 March 2026, all CCPS and Class 1 CCPS have been converted into equity shares of ₹ 10 each of the Holding Company. Refer note 21 (I).

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 2026	% of total shares as at 31 March 2026	Number of shares as at 31 March 2025	% of total shares as at 31 March 2025	% change during the year ended 31 March 2026	Number of shares as at 31 March 2024	% of total shares as at 31 March 2024	% change during the year ended 31 March 2025
Abhishek Agarwal	-	-	-	-	-	106	0.32%	(0.32%)

Notes:

i) The % change is calculated based on the change in respect to the total shareholding of the Holding Company.

ii) Pursuant to the board resolution dated 14 August 2024, 106 CCPS held by 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 Holding Company at any time prior to above mentioned time. Subject to adjustment for any bonus issue or split of shares undertaken by the Holding Company, each CCPS and Class 1 CCPS shall be converted into 1 equity share of the Holding Company as per the terms of the shareholders agreement entered into between the Holding Company and its shareholders. 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 2026	As at 31 March 2025
Balance at the beginning of the year	**(4,242.46)**	**(2,357.26)**
Add: Profit/ (loss) for the year	(2,853.99)	(1,883.83)
Add: Other comprehensive income/ (loss) for the year	(6.41)	(1.37)
Balance at the end of the year	**(7,102.86)**	**(4,242.46)**

C. Employee stock option reserve

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	**1,227.68**	**-**
Add: Employee stock options granted during the year (Refer note 46)	1,185.05	1,227.68
Less: Reversal of employee stock option reserve on forfeiture of stock options	(5.77)	-
Balance at the end of the year	**2,406.96**	**1,227.68**

D. Securities premium

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	**4,194.85**	**2,750.61**
Add : Conversion of Class 1 CCPS into equity shares of ₹ 10 each	18.68	1.00
Less : Utilisation towards issue of bonus shares during the year	(661.44)	-
Less : Conversion of CCPS into equity shares of ₹ 10 each	(20.23)	-
Add : Issuance of equity shares of ₹ 10 each	-	1,482.47
Less : Expenses incurred on issue of shares	-	(39.23)
Balance at the end of the year	**3,531.86**	**4,194.85**

E. Foreign currency translation reserve

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	**(24.45)**	**(18.57)**
Add: Addition/ (deletion) during the year	(16.64)	(5.88)
Balance at the end of the year	**(41.09)**	**(24.45)**

Total other equity (A +B+C+D+E)	**(1,205.13)**	**1,174.56**

Nature and purpose of items of other equity:

i) Equity component of convertible preference shares:

The Holding Company had 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 schemes. 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

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 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 2026	As at 31 March 2025
Secured		
Term loan from banks - vehicle loan (Refer note 23.1)	-	0.09
Non-convertible debentures (Refer note 23.2)	1,788.33	1,121.50
Add: Interest accrued but not due on debentures	10.40	6.32
Less: Current maturities of secured borrowings (classified in current borrowings)	(1,798.73)	(1,127.91)
Total	-	-

Borrowings (current)

Particulars	As at 31 March 2026	As at 31 March 2025
Secured		
- Current maturities of term loan from bank (Refer note 23.1)	-	0.09
- Current maturities of non-convertible debentures (Refer note 23.2)	1,798.73	1,127.82
Loans from companies and others having original maturity of less than 12 months (Refer note 23.1 below)	608.77	-
Unsecured		
Loans from companies and others having original maturity of less than 12 months (Refer note 23.3 below)	1,306.52	-
Total	**3,714.02**	**1,127.91**

23.1 Nature of security and terms of repayment for secured borrowings

Details of and purpose of the loan	As at 31 March 2026	As at 31 March 2025	Terms of repayment	Rate of interest (p.a.)
Term loans from bank - vehicle loan	-	0.09	60 equated monthly instalments from the date of disbursement.	7.95%
Term loans from companies (Refer note below)	405.85	-	Interest and principal repayable on expiry of term on 08 October 2026.	15.00%
Term loans from others (Refer note below)	202.92	-	Interest and principal repayable on expiry of term on 08 October 2026.	15.00%
	608.77	**0.09**		

Notes:

(i) Vehicle loan was taken by the Holding Company, and was secured by charge over the motor vehicle financed through such borrowing. During the year ended 31 March 2026, the Holding Company made an early repayment of borrowing on 6 May 2025. The charge over the motor vehicle has accordingly been released.

(ii) The term loans are taken by Purple Style Labs USA, Inc., a wholly owned subsidiary, and are secured by a continuing security interest in and a right of set-off against all assets, whether now owned or existing or hereafter acquired by Purple Style Labs USA, Inc.

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23.2 Nature of security and terms of secured borrowings

Details of the loan	Amount as at 31 March 2026	Amount as at 31 March 2025	Security given	Rate of interest (p.a.)
Secured non-convertible debentures ("NCDs") issued by PSL Retail Private Limited, a subsidiary				
Series L NCDs	-	338.50	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.	15.00%
Series M NCDs	-	35.00		
Series N NCDs	-	127.00		
Series O NCDs	-	193.50		
Series P NCDs	-	272.50		
Series Q NCDs	-	155.00		
Series R NCDs	455.60	-		
Series S NCDs	172.50	-		
Series T NCDs	136.73	-		
Series U NCDs	188.50	-		
Series V NCDs	335.00	-		
Series W NCDs	150.00	-		
Series X NCDs	100.00	-		
Series Y NCDs	150.00	-		
Series Z NCDs	100.00	-		
Total (principal amount)	**1,788.33**	**1,121.50**		

Terms of repayment of NCDs

a) Interest payable on a monthly basis and b) Principal amount payable on maturity which is 370 days from the date of allotment.

Purpose of NCDs

Series L to Z NCDs were raised for the purposes including meeting the working capital, marketing needs of the wholly owned subsidiary, PSL Retail Private Limited (issuer) and for such other purposes as the Board of Directors may have deemed fit.

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.

23.3 Details of lenders and terms of unsecured borrowings

Name of lenders	As at 31 March 2026	As at 31 March 2025	Repayment terms	Rate of interest (p.a.)
Unsecured borrowings - Short term				
From companies	20.24	-	Interest payable on a monthly basis. The principal repayable by 31 March 2027.	16.00%
	19.25	-	Interest has already been paid. The principal is repayable upon maturity. The tenure has been extended till 30 June 2026.	15.00%
	45.62	-	Interest payable on a monthly basis. The principal is repayable by expiry of the term. The term has been extended till 30 September 2026.	18.00%
	202.67	-	Interest payable on a monthly basis. The principal is repayable by the expiry of the term. The term has been extended till 31 March 2027.	18.00%

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Name of lenders	As at 31 March 2026	As at 31 March 2025	Repayment terms	Rate of interest (p.a.)
Unsecured borrowings - Short term				
From companies	28.88	-	Interest has been paid and the principal is repayable upon maturity. The term is till 30 June 2026	15.00%
	28.85	-	Interest on principal amount of ₹ 150 million availed on 5 December 2025 has been paid. The principal is repayable on maturity. The term has been extended till 5 July 2026. Interest on principal amount of ₹ 150 million availed on 23 February 2026 has been paid, and the principal is repayable upon maturity. The term is till 30 June 2026.	15.00%
	359.88	-	Interest on principal amount of ₹ 100 million is payable on a monthly basis. The principal is repayable by the expiry of the term. The term has been extended till 15 May 2026. Interest on principal amount of ₹ 255 million is payable on a monthly basis. The principal is repayable by the expiry of the term. The term has been extended till 30 September 2026.	18.00%
	19.25	-	Interest has been paid and the principal is repayable upon maturity. The term has been extended till 30 June 2026.	15.00%
	28.06	-	Interest for 6 months has been paid upfront. Unpaid interest and principal is repayable by the expiry of term on 10 March 2027.	15.00%
	60.60	-	Interest payable on a monthly basis and principal repayable within 1 year from receipt of the principal amount i.e. ₹ 30 million to be repaid by 4 February 2027 and 8 March 2027 each.	15.00%
	30.34	-	Interest payable on a monthly basis and principal repayable by expiry of the term i.e. by 5 February 2027.	15.00%

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Name of lenders	As at 31 March 2026	As at 31 March 2025	Repayment terms	Rate of interest (p.a.)
Unsecured borrowings - Short term				
From companies	136.55	-	Interest payable on a monthly basis and principal repayable by expiry of the term i.e. by 28 February 2027.	15.00%
	40.55	-	Interest payable on a monthly basis and principal repayable by expiry of the term i.e. by 28 February 2027.	18.00%
	50.39	-	Interest payable on a monthly basis and principal repayable by expiry of the term i.e. by 15 March 2027.	15.00%
	101.15	-	Interest payable on a monthly basis and principal repayable by expiry of the term i.e. by 10 February 2027.	15.00%
	35.31	-	Interest payable on a monthly basis. Principal repayable by the expiry of the term i.e. ₹ 15 million by 28 February 2027 and ₹ 20 million by 15 March 2027.	15.00%
	5.20	-	Interest and principal repayable on 06 August 2026, after expiry of term.	15.00%
	5.13	-	Interest and principal repayable on 11 September 2026, after expiry of term.	15.00%
	14.94	-	Interest and principal repayable on 25 November 2026, after expiry of term.	15.00%
	24.73	-	Interest and principal repayable on 12 December 2026, after expiry of term.	15.00%
	19.38	-	Interest and principal repayable on 2 February 2027, after expiry of term.	15.00%
From others	29.55	-	Interest and principal repayable on 23 December 2026, after expiry of term.	15.00%
Total	**1,306.52**	**-**		

Purpose of unsecured borrowings
These have been availed by the Group for the purposes including meeting working capital, capital expenditure and general business purpose and such other purposes as the Board of Directors may deem necessary.

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 2026	As at 31 March 2025
Lease liabilities (current and non-current)	4,124.98	1,743.90
Borrowings (current and non-current)	3,714.02	1,127.91

Particulars	Lease liabilities	Borrowings	Total
Balance as at 01 April 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**
Proceeds from borrowings	-	4,113.01	4,113.01
Repayment of borrowings	-	(1,628.12)	(1,628.12)
Finance costs	492.72	401.57	894.29
Finance costs paid	(478.19)	(347.80)	(825.99)
Addition of lease liabilities	3,300.57	-	3,300.57
Termination	(153.10)	-	(153.10)
Payment of lease liabilities	(789.45)	-	(789.45)
Effect of exchange rate on translation of financing cashflows	8.53	47.45	55.98
Balance as at 31 March 2026	**4,124.98**	**3,714.02**	**7,839.00**

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25 Non-current lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Lease obligations (Refer note 52)	4,124.98	1,743.90
Less: Current maturities of lease obligations (Refer note 27)	(654.65)	(282.70)
Total	**3,470.33**	**1,461.20**

26 Provisions (non-current)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for gratuity (Refer note 45)	39.34	25.36
Total	**39.34**	**25.36**

27 Current lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Lease obligations (Refer note 52)	654.65	282.70
Total	**654.65**	**282.70**

28 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
- Total outstanding dues of micro and small enterprises (Refer note below)	145.46	140.33
- Total outstanding dues of creditors other than micro and small enterprises	257.01	278.00
Total	**402.47**	**418.33**

Notes:

i) Refer note 54 for trade payable ageing.

ii) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

iii) Refer note 49 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 2026	As at 31 March 2025
There are no payables to micro and small enterprises which are overdue		
i) Principal amount remaining unpaid to any supplier.	145.46	140.33
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 2026	As at 31 March 2025
Capital creditors	39.61	3.85
Employee related dues	13.69	4.77
Other payables (Refer notes i and ii below)	13.56	18.82
Total	**66.86**	**27.44**

Notes:

i) Other payables majorly comprise of consideration received by the Group and available to the customers as store credit for future

ii) Other payables also include liability component of compulsorily convertible preference shares, which is an insignificant amount.

iii) Refer note 48 for classification of financial instruments by category and fair value hierarchy.

iv) Refer note 49 for disclosures pertaining to financial risk management.

30 Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Statutory dues payable	56.22	39.05
Revenue received in advance (Refer note ii below)	394.67	399.31
Deferred revenue (Refer note i and iii below)	12.00	8.90
Total	**462.89**	**447.26**

Notes:

i) 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 2026	As at 31 March 2025
Balance at the beginning of the year	399.31	331.40
Add: Advance received during the year	6,351.01	5,364.07
Less: Revenue recognised/ adjusted during the year	(6,355.65)	(5,296.16)
Balance at the end of the year	**394.67**	**399.31**

iii) Reconciliation of deferred revenue

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	8.90	4.48
Add: Revenue deferred during the year	12.00	8.90
Less: Revenue recognised/ adjusted during the year	(8.90)	(4.48)
Balance at the end of the year	**12.00**	**8.90**

31 Provisions (current)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for gratuity (Refer note 45)	8.25	5.34
Total	**8.25**	**5.34**

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32 Revenue from operations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sale of goods	5,526.04	4,833.91
Sale of services	52.34	65.18
Total	**5,578.38**	**4,899.09**

Note:
Refer note 51 for additional details.

33 Other income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on financial assets measured at amortised cost		
- on fixed deposits	0.07	0.07
- on loans to employees	0.62	0.31
- on lease deposits	52.64	26.21
Interest on income tax refund	0.31	0.29
Other non-operating income		
Fair value gain on financial asset carried at FVTPL	-	3.93
Foreign exchange gain (net)	7.74	6.09
Gain on termination of lease (net)	28.84	-
Miscellaneous income	2.09	4.02
Total	**92.31**	**40.92**

34 Cost of materials consumed

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Raw material at the beginning of the year	**5.31**	**5.98**
Add: Purchases during the year	16.09	12.23
Less: Raw material at the end of the year	(0.46)	(5.31)
Cost of materials consumed during the year	**20.94**	**12.90**

35 Purchases of stock-in-trade

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Purchases of traded goods	3,498.27	3,025.87
Total	**3,498.27**	**3,025.87**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventories at the beginning of the year		
Finished goods	13.84	19.14
Work-in-progress	-	3.38
Stock-in-trade	1,584.23	1,375.51
Inventories at the end of the year		
Finished goods [Provision created during the year of ₹ 7.98 million (31 March 2025: ₹ 2.42 million)]	6.33	13.84
Work-in-progress	-	-
Stock-in-trade [Provision created during the year of ₹ 175.66 million (31 March 2025: ₹ 102.88 million)]	1,626.97	1,584.23
Total	**(35.23)**	**(200.04)**

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37 Employee benefits expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	762.20	618.55
Contribution to provident fund and other funds (Refer note 45B)	15.58	13.03
Gratuity expenses (Refer note 45A)	11.93	8.85
Staff welfare expenses	30.25	21.65
Total	**819.96**	**662.08**

Note:
Refer note 47 for remuneration paid to directors.

38 Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on financial liabilities measured at amortised cost		
- non-convertible debentures	234.89	165.38
- others	166.67	56.60
- lease liabilities (Refer note 52)	492.72	273.15
Interest on late payment of statutory dues	1.20	0.23
Other borrowing costs*	75.39	34.37
Total	**970.87**	**529.73**

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

39 Depreciation and amortisation expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on property, plant and equipment (Refer note 5)	127.62	128.22
Amortisation on intangible assets (Refer note 8)	3.06	3.08
Depreciation of right of use assets (Refer note 7)	876.81	402.22
Impairment of goodwill (Refer note 8)	-	12.78
Total	**1,007.49**	**546.30**

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40 Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Travel and conveyance expenses	29.90	23.94
Office and administrative expenses	6.96	6.33
Repair and maintenance charges	49.42	40.76
Legal and professional charges*	110.44	78.74
Housekeeping and security charges	78.08	54.67
Packing material	25.87	21.66
Utilities expenses	65.20	59.45
Rates and taxes	27.60	9.78
Rent expenses (Refer note 52)	19.23	40.96
Sales and marketing expenses	301.64	331.68
Printing and stationery	7.48	7.29
Insurance expenses	8.11	3.43
Technology expenses	34.53	34.26
Payment gateway charges	80.62	79.91
Courier and shipping charges	210.16	213.50
Loss on sale of property, plant and equipment (net)	0.30	-
Bad debt written off	0.04	1.36
Miscellaneous expenses	7.52	11.60
Total	**1,063.10**	**1,019.32**

*Refer note 47 for professional fees paid to directors.

41 Exceptional item - expense/ (income)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Employee share based payment expense (Refer notes below and note 46)	1,185.05	1,227.68
Reversal of employee share based payment expense on forfeiture of stock options	(5.77)	-
Total	**1,179.28**	**1,227.68**

Note:

This pertains to employee compensation expenses accounted towards grant of employee stock options to eligible employees of the Group. The expense is recognised in the Consolidated 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. During the financial year ended 31 March 2025, the Group approved a large pool of employee stock option grant under a special incentive plan in connection with its strategic growth and future business plans. Considering the non-recurring nature and significant financial impact of this grant, the related share-based payment expense has been disclosed separately as an exceptional item to facilitate a better understanding of the Group's underlying operating performance. Also refer note 46 for additional details.

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42 Current tax and deferred tax

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current tax		
Current tax for the year	-	-
Total current tax expense	**-**	**-**
Deferred taxes		
Change in deferred tax assets (DTA)	2.35	(3.76)
Change in deferred tax liabilities (DTL)	2.35	(3.76)
Net deferred tax expense	**-**	**-**
Total income tax expense	**-**	**-**

(b) Income tax on other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
On remeasurement of defined benefit plan	-	-
Total	**-**	**-**

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

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance (net)	**7.29**	**6.65**
Income tax expenses (current and earlier period)	-	-
Income tax paid	7.24	7.05
Income tax refund received	(5.59)	(6.41)
Closing balance	**8.94**	**7.29**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Loss before tax	**(2,853.99)**	**(1,883.83)**
Tax rate applicable to the Holding Company	25.17%	25.17%
Expected income tax expense	(718.29)	(474.12)
Tax effect on losses carried forward and unabsorbed depreciation/ (set off)	718.29	474.12
Total tax expense	**-**	**-**

e) Movement in deferred tax assets and deferred tax liabilities from 1 April 2025 to 31 March 2026:

Particulars	As at 1 April 2025	Increase / (decrease)	As at 31 March 2026
Deferred tax liabilities on account of:			
Property, plant and equipment and intangible assets	0.73	0.14	0.87
Financial assets measured at FVTPL	-	-	-
Right of use assets and lease liabilities (net)	0.55	2.21	2.76
Total deferred tax liabilities (A)	**1.28**	**2.35**	**3.63**
Deferred tax assets on account of:			
Right of use assets and lease liabilities (net)	66.09	27.32	93.41
Property, plant and equipment	26.04	10.34	36.38
Employee benefits	8.15	4.60	12.75
Carried forward losses and unabsorbed depreciation	953.23	705.72	1,658.95
Financial assets measured at FVTPL	1.64	(1.64)	-
Financial assets measured at amortised cost	45.65	54.94	100.59
Carried forward long capital gain losses	-	0.83	0.83
Prepaid rent	-	75.43	75.43
Others	-	-	-
Total deferred tax assets	**1,100.80**	**877.54**	**1,978.34**
Restricted to DTL (B)	**1.28**	**2.35**	**3.63**
Deferred tax assets (net) (B - A)	**-**		**-**

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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	6.05	19.99	26.04
Employee benefits	5.59	2.56	8.15
Carried forward losses and unabsorbed depreciation	532.06	421.17	953.23
Financial assets measured at FVTPL	-	1.64	1.64
Financial assets measured at amortised cost	50.15	(4.50)	45.65
Others	0.01	(0.01)	-
Total deferred tax assets	**621.70**	**479.10**	**1,100.80**
Restricted to DTL (B)	**5.04**	**(3.76)**	**1.28**
Deferred tax assets (net) (B - A)	**-**		**-**

As per the Ind AS 12- 'Income Taxes', the Group would have net deferred tax assets amounting to ₹ 1,974.71 million as at 31 March 2026 (31 March 2025: ₹ 1,099.52 million) comprising mainly of carried forward losses under tax laws.

However, based on management's assessment of taxable profits in near future, expiry periods of tax losses and available tax planning opportunities, it is not probable that sufficient taxable profits will be available against which such deferred tax assets can be utilised. Hence, management is of the view that it is prudent not to recognise the deferred tax assets as at balance sheet dates.

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 2026			As at 31 March 2025		
	Base amount	Deferred tax	Expiry date	Base amount	Deferred tax	Expiry
Business loss carried forward	895.24	245.53	Within 5 years	679.58	173.50	Within 5 years
Business loss carried forward	4,128.31	1,192.91	Beyond 5 years	2,369.14	676.24	Beyond 5 years
Long term capital gain loss carried forward	5.81	0.83	Beyond 5 years	-	-	
Unabsorbed depreciation carried forward	214.77	63.78	No expiry	127.57	37.41	No expiry
Business loss carried forward - foreign subsidiaries	658.10	156.73	No expiry	342.52	65.08	No expiry
Total	**5,902.23**	**1,659.78**		**3,518.81**	**952.23**	

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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43 Other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Items that will not be reclassified to profit or loss		
Actuarial loss on remeasurement of defined benefit obligations (Refer note 45)	6.41	1.37
Income taxes on above	-	-
Total	**6.41**	**1.37**

44 Earnings/(losses) per share (EPS)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Net loss after tax attributable to equity shareholders (A)	(2,853.99)	(1,883.83)
Face value per equity shares (in ₹)	10.00	10.00
Weighted average number of shares outstanding during the year (Nos.) (Refer note i)	6,79,78,836	64,959
Add: Effect of bonus issue on the above (Nos.) (Refer note ii)	-	6,48,93,992
Weighted average number of basic shares outstanding after considering effect of bonus (Nos.) (B)	6,79,78,836	6,49,58,951
Add: Effect of potential equity shares which are dilutive (pertaining to employee stock plan and partly paid up shares) (Nos.)	52,56,064	5,432
Add: Effect of bonus issue on the above potential equity shares which are dilutive (Nos.) (Refer note ii)	-	54,26,481
Weighted average number of diluted shares outstanding after considering effect of bonus (Nos.) (C)	7,32,34,900	7,03,90,864
Loss per share		
Basic (in ₹) (A/B)	(41.98)	(29.00)
Diluted (in ₹) (A/C) (Refer note iii)	(41.98)	(29.00)

Notes:

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

ii) During the year ended 31 March 2026, the members of the Holding Company in an Extraordinary General Meeting held on 28 August 2025, approved the issuance of bonus shares in the ratio of 999 equity shares for each share held, with the record date set as 29 August 2025.

As a consequence of this bonus issue, the conversion ratio of compulsorily convertible preference shares was proportionately adjusted to ensure no dilution in value for preference shareholders. Separately, the holders of employee stock options are entitled to such bonus shares at the time of exercise of such options.

In accordance with Ind AS 33 – 'Earnings per Share', the impact of aforesaid bonus issue has been retrospectively adjusted for all periods presented in the computation of earnings per share.

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

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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 2026 are as under:

The gratuity plan is governed by the Code on Social Security, 2020 read along with the surviving provisions of 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 present value of defined benefit obligation:

Particulars	31 March 2026	31 March 2025
Defined benefit obligation as at the beginning of the year	**30.70**	**21.26**
Interest cost	1.84	1.39
Current service cost	10.09	7.46
Actuarial losses/ (gains)	6.41	1.37
Benefits paid	(1.45)	(0.78)
Defined benefit obligation as at the end of the year	**47.59**	**30.70**

II. Amount recognised in Consolidated Balance Sheet:

Particulars	31 March 2026	31 March 2025
Current liability	8.25	5.34
Non-current liability	39.34	25.36
Total	**47.59**	**30.70**

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

Particulars	31 March 2026	31 March 2025
Amount recognised in the consolidated statement of profit and loss		
Current service cost	10.09	7.46
Interest cost	1.84	1.39
Total	**11.93**	**8.85**
Amount recognised in the other comprehensive income		
Net actuarial losses/(gains) recognised during the year	6.41	1.37
Total	**6.41**	**1.37**

IV. Breakup of actuarial (gain)/loss:

Particulars	31 March 2026	31 March 2025
Components of actuarial (gain)/ loss on obligations		
Due to change in financial assumptions	3.93	0.74
Due to experience adjustments	2.48	0.63
Total expenses included in other comprehensive income	**6.41**	**1.37**

V. Details of net defined benefit obligation:

Particulars	31 March 2026	31 March 2025
Defined benefit obligation	47.59	30.70
Plan assets	-	-
Deficit	**47.59**	**30.70**

VI. Assumptions:

Particulars	31 March 2026	31 March 2025
Discount rate (per annum)	6.75%	6.55%
Mortality rate	Indian Assured Lives Mortality Table (IALM) 2012-2014 Ultimate	Indian Assured Lives Mortality Table (IALM) 2012-2014 Ultimate
Salary growth rate (per annum)	10%	7%
Attrition rate (per annum)	25%	25%
Retirement age (in years)	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.

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VII. Amount, timing and uncertainty of future cashflows:

Sensitivity to key assumptions

Particulars	31 March 2026	31 March 2025
Effect of +0.5% change in rate of discounting	(0.91)	(0.58)
Effect of -0.5% change in rate of discounting	0.93	0.60
Effect of +0.5% change in rate of salary growth rate	0.77	0.51
Effect of -0.5% change in rate of salary growth rate	(0.75)	(0.53)
Effect of +10% change in rate of attrition rate	(1.06)	(0.65)
Effect of -10% change in rate of attrition rate	1.10	0.65

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 2026	31 March 2025
Weighted average duration (years)	3.93	3.93

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

Particulars	31 March 2026	31 March 2025
Year 1 cashflows	8.25	5.34
Year 2 cashflows	8.84	5.16
Year 3 cashflows	8.05	5.40
Year 4 cashflows	7.16	4.91
Year 5 cashflows	6.21	4.21
Year 6 to Year 10 cashflows	17.46	11.17

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 the relevant 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 2026	31 March 2025
Provident fund	8.11	7.15
ESIC	2.54	2.24
Labour welfare fund	0.15	0.13
Insurance and pension funds	4.78	3.51
Total	**15.58**	**13.03**

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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 as amended from time to time ("ESOP Scheme 2024") that was subsequently amended pursuant to shareholders' resolution passed on 28 August 2025. During the years ended 31 March 2025 and 31 March 2026, 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 approved by the shareholders of the Holding Company on 28 August 2025). The fair value of the options granted has been measured using the Black-Scholes option pricing model.

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

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
Numbers of options granted	2,232	2,100	645 (refer below note)	23 (refer below note)
Grant date	1 July 2024	14 November 2024	01 July 2025	14 March 2026
Vesting conditions	1 year service from the grant date	1 year service from the grant date	1 year service from the grant date	1 year service from the grant date
Exercise period	3 years	3 years	3 years	3 years
Exercise price (in ₹)	₹ 10/ share	₹ 10/ share	₹ 10/ share	₹ 10/ share
Method of settlement	Equity	Equity	Equity	Equity
Fair value of options granted, including benefit of bonus issuance (per option in ₹)	4,99,380.00	4,99,875.00	4,99,965.38	4,99,965.38

Note : On 1 July 2025, 668 options were granted of which 23 options lapsed and the same were granted during the year ended 31 March 2026.

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

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
Risk-free interest rate (%) (Refer note iii below)	7.10%	7.02%	5.93%	5.93%
Time to expiration (Refer note i below)	3 years	3 years	2.5 years	2.5 years
Expected volatility (%) (Refer note ii below)	38.84%	38.85%	43.33%	43.33%
Dividend yield	-	-	-	-
Weighted average remaining contractual life of options at the end of year	2.25 years	2.63 years	3.25 years	3.96 years

Notes:

i) The time is from the date of completion of the vesting period.

ii) Expected volatility estimates are based on industry best practices.

iii) Risk-free interest rate has been calculated as the interpolated rate of interest of government bonds.

Number of options granted, exercised and forfeited	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	**4,332**	**-**
Granted during the year	668	4,332
Forfeited/lapsed during the year	(23)	-
Lapsed options granted during the year	23	
Exercised during the year	-	-
Outstanding at the end of the year	**5,000**	**4,332**
Exercisable options at the end of the year	4,332	-
Unvested options at the end of the year*	**668**	**4,332**

*The employee stock options are eligible for bonus in the ratio of 999 equity shares for every equity share allotted upon excercise of each option, pursuant to the resolutions passed by the Board of Directors and shareholders dated 18 June 2025 and 28 August 2025, respectively.

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Employee stock option charge/(gain) recognised in Consolidated Statement of Profit and Loss	1,179.28	1,227.68

Note:

The estimated impact on the Consolidated Statement of Profit and Loss and other equity for the next financial year, arising from share-based payment expenses, is ₹ 91.36 million (31 March 2025: ₹ 936.67 million).

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47 Related party disclosures

a) Names of related parties and description of relationship

(i) 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
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*

(ii) Company in which directors and KMP is a director (to the extent transactions have taken place)

Wazir Advisors Private Limited

(iii) Relatives of directors and KMP (to the extent transactions have taken place)

Ms. Punit Sahni, Relative of director

b) The transactions with related parties are as follows:

(transactions with related parties are disclosed from the date the related party relationship commences and continue to be disclosed until such relationship ceases)

Particulars	Name of related party	Year ended 31 March 2026	Year ended 31 March 2025
1. Equity shares issued (including securities premium)	Rahul Garg	-	2.50
	Punit Sahni	-	2.50
	Total	**-**	**5.00**
2. Expenses incurred on behalf of the Group companies	Abhishek Agarwal	0.42	0.20
	Abhinav Agarwal	2.84	0.84
	Niket Agarwal	0.20	-
	Nivesh Pandey	0.03	-
	Gulshan Mumtaz Khan	0.01	-
	Total	**3.50**	**1.04**
3. Borrowings availed	Abhishek Agarwal	0.44	128.68
	Abhinav Agarwal	-	60.00
	Total	**0.44**	**188.68**
4. Remuneration (refer below notes)	Abhishek Agarwal	7.20	6.00
	Abhinav Agarwal	8.40	7.20
	Harminder Sahni	3.00	1.20
	Rahul Garg	3.00	1.20
	Hrishikesh Parandekar	3.00	0.46
	Shefali Sarohi Shyam	3.00	0.46
	Umesh Pawan Choudhary	4.10	-
	Niket Agarwal	7.00	-
	Nivesh Pandey	7.00	-
	Gulshan Mumtaz Khan	1.50	-
	Total	**47.20**	**16.52**
5. Professional charges	Harminder Sahni	0.60	2.40
	Rahul Garg	0.60	2.40
	Wazir Advisors Private Limited	2.50	2.50
	Total	**3.70**	**7.30**
6. Borrowings repaid	Abhishek Agarwal	0.44	128.68
	Abhinav Agarwal	-	60.00
	Total	**0.44**	**188.68**

Notes :

i) During the year ended 31 March 2026, the Holding Company has granted Nil stock options (31 March 2025: 1,200 stock options) to the Director and KMPs under the ESOP Scheme 2024.

ii) The share based payment expense is disclosed in the remuneration amount of an individual at the time of exercise of stock option and not at the time of grant of stock option. The amount of expense recognised in the statement of profit and loss towards the stock options granted to the Director and KMPs is based on the date of designation as a KMP aggregates to ₹ 580.71 million (31 March 2025: ₹ 280.91 million).

iii) Refer note 47(d) for the breakup of remuneration to Directors and KMPs.

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c) Balances with related parties as at year end are as follows:

Particulars	Name of related party	As at 31 March 2026	As at 31 March 2025
1. Expense payable and other payable	Abhishek Agarwal	0.25	-
	Abhinav Agarwal	0.60	-
	Niket Agarwal	0.06	-
	Wazir Advisors Private Limited	-	2.70
	Total	**0.91**	**2.70**

Note: As at 31 March 2026, the Director and KMPs holds 3,059 employee stock options (31 March 2025: 1,200), based on the date of designation as a KMP.

d) Breakup of remuneration to directors and KMPs of the Group

Name of related party	Year ended 31 March 2026				Year ended 31 March 2025			
	Short-term employee benefits	Post employment benefits (refer note i below)	Share based payments (refer note ii below)	Total	Short-term employee benefits	Post employment benefits (refer note i below)	Share based payments (refer note ii below)	Total
Abhishek Agarwal	7.18	0.02	-	**7.20**	5.98	0.02	-	**6.00**
Abhinav Agarwal	8.38	0.02	-	**8.40**	7.18	0.02	-	**7.20**
Harminder Sahni	3.00	-	-	**3.00**	1.20	-	-	**1.20**
Rahul Garg	3.00	-	-	**3.00**	1.20	-	-	**1.20**
Hrishikesh Parandekar	3.00	-	-	**3.00**	0.46	-	-	**0.46**
Shefali Sarohi Shyam	3.00	-	-	**3.00**	0.46	-	-	**0.46**
Umesh Pawan Choudhary	4.08	0.02	-	**4.10**	-	-	-	**-**
Niket Agarwal	6.98	0.02	-	**7.00**	-	-	-	**-**
Nivesh Pandey	6.98	0.02	-	**7.00**	-	-	-	**-**
Gulshan Mumtaz Khan	1.48	0.02	-	**1.50**	-	-	-	**-**
Total	**47.08**	**0.12**	**-**	**47.20**	**16.48**	**0.04**	**-**	**16.52**

Notes:

i) 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.

ii) The share based payment expense is disclosed in the remuneration amount of an individual at the time of exercise of stock option and not at the time of grant of stock option. The amount of expense recognised in the statement of profit and loss towards the stock options granted to the Director and KMPs aggregates ₹ 580.71 million (31 March 2025: ₹ 280.91 million).

e) 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 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 upon selling 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 2026			
	Amortised cost	At FVTPL	Total carrying value	Fair value hierarchy for financial instruments measured at FVTPL
Assets				
Loans	11.57	-	11.57	-
Other financial assets	582.47	-	582.47	-
Trade receivables	31.89	-	31.89	-
Cash and cash equivalents	155.73	-	155.73	-
Bank balances other than cash and cash equivalents	-	-	-	-
Liabilities				
Borrowings	3,714.02	-	3,714.02	-
Lease liabilities	4,124.97	-	4,124.97	-
Trade payables	402.47	-	402.47	-
Other financial liabilities	66.86	-	66.86	-

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

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.







Notes:

i) The carrying amounts of trade receivables, trade payables, cash and 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.

ii) The carrying value approximates the fair value for security deposits and loans to employees as it has been calculated based on cash flows discounted using the current lending rate.

iii) 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.

iv) There have been no transfers between levels of fair value hierarchy during the year.

v) 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.

vi) The following table shows a reconciliation for level 3 fair values - Investments:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year (net of impairment allowance)	-	**26.20**
Addition during the year	-	-
Reversal of impairment loss on investment	-	-
Net change in fair value recognised through profit and loss	-	3.93
Disposal during the year	-	(30.13)
Balance at the end of the year (net of impairment allowance)	-	-

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49 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 2026	-	-	30.68	0.98	0.23	-	-	31.89
As at 31 March 2025	-	-	12.33	0.39	0.03	-	-	12.75

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

Particulars	31 March 2026	31 March 2025
As at beginning of the year	**0.01**	**0.03**
Add: Provision made during the year	-	1.34
Less: Amounts written off (including provision utilised)	-	(1.36)
As at end of the year	**0.01**	**0.01**

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 2026 (31 March 2025: 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 or to raise additional funds through fresh equity infusion or refinancing of existing borrowings on acceptable terms. The Group's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement.

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

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cashflows and historically, the Group has effectively managed its borrowings and met all debt maturities in a timely manner.

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 Consolidated Balance Sheet are carrying values based on amortised cost:

As at 31 March 2026

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Borrowings	3,714.02	-	-	3,714.02
Lease liabilities	1,212.16	4,221.30	337.30	5,770.76
Trade payables	402.47	-	-	402.47
Other financial liabilities	66.86	-	-	66.86
Total	**5,395.51**	**4,221.30**	**337.30**	**9,954.11**

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	418.33	-	-	418.33
Other financial liabilities	27.44	-	-	27.44
Total	**2,090.97**	**1,505.45**	**643.12**	**4,239.54**

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PURPLE STYLE LABS LIMITED MUMBAI

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 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 towards exports:

Unhedged foreign currency exposure	Currency	As at 31 March 2026		As at 31 March 2025	
		Amount in foreign currency*	Amount INR	Amount in foreign currency*	Amount INR
Financial assets					
Other receivables	SGD	2,115.53	0.15	4,324.00	0.27
	USD	1,26,123.17	11.87	2,37,713.00	20.30
	CAD	17,508.89	1.19	35,853.00	2.14
	EURO	2,365.05	0.26	5,648.00	0.52
	HKD	14,701.41	0.18	15,589.00	0.17
	AUD	13,809.25	0.89	24,813.00	1.33
	GBP	24,654.96	3.07	36,102.00	3.98
			17.61		**28.71**

**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

Currencies	31 March 2026		31 March 2025	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
SGD	0.00	(0.00)	0.01	(0.01)
USD	0.24	(0.24)	0.41	(0.41)
CAD	0.02	(0.02)	0.04	(0.04)
EURO	0.01	(0.01)	0.01	(0.01)
HKD	0.00	(0.00)	0.00	(0.00)
AUD	0.02	(0.02)	0.03	(0.03)
GBP	0.06	(0.06)	0.08	(0.08)

(0.00 represents amounts below ₹ 5,000)

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 minimise 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 whose impact, if any, is not significant. The management monitors the fluctuation in price of shares and takes necessary actions to minimise its share price risk exposure.



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50 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 net debt divided by total capital employed. Net debt includes non-current borrowings (including current maturities) and short term borrowings net of cash and cash equivalents and total capital employed included net debt and total equity.

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

Particulars	As at 31 March 2026	As at 31 March 2025
Debt	3,714.02	1,127.91
Less: Cash and cash equivalents	(155.73)	(103.78)
Net debt (a)	**3,558.29**	**1,024.13**
Total equity as per balance sheet (b)	(522.78)	1,174.97
Total capital employed (a) + (b) = (c)	3,035.51	2,199.10
Capital gearing ratio (a)/(c)	**1.17**	**0.47**

Increase in gearing ratio is on account of increased losses in the current year.

B. Dividends

The Holding Company and its subsidiaries have not paid any dividend to its shareholders for years ended 31 March 2026 and 31 March 2025.

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PURPLE STYLE LABS LIMITED ★ MUMBAI

51 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 recognised 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 2026	Year ended 31 March 2025
Based on geographical markets		
Within India	4,428.27	3,281.58
Outside India	1,150.11	1,617.51
Revenue from contracts with customer	**5,578.38**	**4,899.09**

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Based on timing of transfer of goods/services		
Revenue recognised at a point in time	5,578.38	4,899.09
Revenue recognised over time	-	-
Revenue from contracts with customer	**5,578.38**	**4,899.09**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue as per contracted price	5,606.89	4,928.40
Adjustments (includes provisions estimated and adjustments there against)		
Utilisation of customer loyalty points	(28.51)	(29.31)
Revenue from contract with customers	**5,578.38**	**4,899.09**

c) Contract balances:

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables (Refer note 15)	31.89	12.75
Revenue received in advance (Refer note 30)*	394.67	399.31
Deferred revenue (Refer note 30)	12.00	8.90
Total	**438.56**	**420.96**

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

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52 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 2026	Year ended 31 March 2025
Opening right of use assets	**1,531.88**	**1,843.17**
Additions during the year	3,615.85	89.52
Deletion/ lease modification adjustment	(133.47)	-
Charge for the year	(876.81)	(402.22)
Foreign exchange gain/ (loss)	27.90	1.41
Closing right of use assets	**4,165.35**	**1,531.88**

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening lease liability	**1,743.90**	**1,933.43**
Additions during the year	3,300.57	78.40
Impact of lease termination	(153.10)	-
Accretion of interest	492.72	273.15
Principal payments	(789.45)	(269.23)
Finance cost paid	(478.19)	(273.15)
Foreign exchange (gain)/ loss	8.53	1.30
Closing lease liability	**4,124.98**	**1,743.90**
Current lease liabilities	654.65	282.70
Non-current lease liabilities	3,470.33	1,461.20

The effective interest rate applied is in the range of 8% to 15% p.a. (31 March 2025: 8% to 15% p.a.) based on geographical location.

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation expense of right of use assets	876.81	402.22
Interest expense on lease liabilities	492.72	273.15
Expense relating to short-term leases (included in other expenses)	19.23	40.96
Total amount recognised in the Consolidated Statement of Profit and Loss	**1,388.76**	**716.33**

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 2026				
Lease payments	1,212.16	4,221.30	337.30	**5,770.76**
31 March 2025				
Lease payments	517.29	1,505.45	643.12	**2,665.86**

v) The total cash outflow for leases (including short-term leases) for the year ended 31 March 2026 was ₹ 1,286.87 million (31 March 2025: ₹ 583.34 million).

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53 Trade receivables ageing schedule

a) Ageing of trade receivables as at 31 March 2026

Outstanding for the following period from the invoice date:

Particulars	Unbilled	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								
Considered good - unsecured	-	-	30.68	0.98	0.23	-	-	31.89
Credit impaired	-	-	-	-	0.01	-	-	0.01
Allowance for expected credit loss	-	-	-	-	(0.01)	-	-	(0.01)
Total	**-**	**-**	**30.68**	**0.98**	**0.23**	**-**	**-**	**31.89**

b) Ageing of trade receivables as at 31 March 2025

Outstanding for the following period from the invoice date:

Particulars	Unbilled	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								
Considered good - unsecured	-	-	12.33	0.39	0.03	-	-	12.75
Credit impaired	-	-	-	0.01	-	-	-	0.01
Allowance for expected credit loss	-	-	-	(0.01)	-	-	-	(0.01)
Total	**-**	**-**	**12.33**	**0.39**	**0.03**	**-**	**-**	**12.75**

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

54 Trade payables ageing schedule

a) Ageing of trade payables as at 31 March 2026

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							
Micro enterprises and small enterprises	-	145.04	0.42	-	-	-	145.46
Others	156.38	92.85	7.78	-	-	-	257.01
Total	**156.38**	**237.89**	**8.20**	**-**	**-**	**-**	**402.47**

b) 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							
Micro enterprises and small enterprises	-	134.50	5.83	-	-	-	140.33
Others	159.87	109.54	8.58	0.01	-	-	278.00
Total	**159.87**	**244.04**	**14.41**	**0.01**	**-**	**-**	**418.33**

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

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PURPLE STYLE LABS LIMITED ★ MUMBAI ★

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

Subsidiary at any time during the year	Nature	Principal place of business	Proportion % holding	
			31 March 2026	31 March 2025
PSL Retail Private Limited	Wholly owned subsidiary	India	100%	100%
Purple Style Labs UK Limited	Wholly owned subsidiary	United Kingdom	100%	100%
Purple Style Labs USA, Inc. (effective 16 April 2025)	Wholly owned subsidiary	United States of America	100%	-

The following wholly owned subsidiaries have been consolidated in the consolidated financial statements in accordance with Ind AS 110:

Particulars	Net assets i.e. total assets minus total liabilities		Share in profit/(loss) for the years ended 31 March 2026 and 31 March 2025					
	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 2026	-712%	3,723.86	27%	(773.62)	19%	(4.46)	27%	(778.08)
31 March 2025	283%	3,322.65	53%	(995.90)	12%	(0.90)	53%	(996.80)
Subsidiaries								
PSL Retail Private Limited								
31 March 2026	723%	(3,782.17)	68%	(1,938.01)	8%	(1.95)	67%	(1,939.96)
31 March 2025	-158%	(1,856.00)	44%	(829.09)	6%	(0.47)	44%	(829.56)
Purple Style Labs UK Limited								
31 March 2026	-4%	22.15	2%	(70.41)	0%	-	2%	(70.41)
31 March 2025	7%	85.35	3%	(62.75)	0%	-	3%	(62.75)
Purple Style Labs USA, Inc.								
31 March 2026	4%	(21.50)	7%	(194.81)	47%	(10.80)	7%	(205.61)
31 March 2025	0%	-	0%	-	0%	-	0%	-
Total elimination/adjustment on account of consolidation exercise								
31 March 2026	89%	(465.12)	-4%	122.86	26%	(5.83)	-4%	117.03
31 March 2025	-32%	(377.03)	0%	3.91	82%	(5.88)	0%	(1.97)
Total								
31 March 2026	100%	(522.78)	100%	(2,853.99)	100%	(23.05)	100%	(2,877.04)
31 March 2025	100%	1,174.97	100%	(1,883.83)	100%	(7.25)	100%	(1,891.08)

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PURPLE STYLE LABS LIMITED MUMBAI

56 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. Accordingly, 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 ₹ 496.10 million (31 March 2025: ₹ 23.43 million).

d) Refer note 51(a) for revenue earned within India and outside India.

57 Contingent liabilities and capital commitments

(i) Claims against the Group 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 under protest. Subsequent to 31 March 2026, the CIT (Appeals) has concluded in Holding Company's favour and refunded the deposit amount.

(ii) Capital commitments:

There are no capital commitments as at 31 March 2026 and 31 March 2025.

58 Pursuant to the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended, the Holding Company and its subsidiary incorporated in India have used accounting softwares for maintaining their books of account and other records relevant to the books of account, which have the feature of recording audit trail (edit log) of each and every transaction, creating an edit log of each change made therein together with the date of such change, and ensuring that the audit trail feature cannot be disabled.

During the year ended 31 March 2026, the audit trail feature was enabled and operated throughout the year for all relevant transactions recorded in the accounting software used for maintaining the books of account and in the software used for maintaining sales, purchase and inventory records. The audit trail records generated during the current year and during earlier periods in which the audit trail functionality was enabled, have been preserved in accordance with the applicable statutory requirements for record retention.

59 The Government of India has enacted the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, (collectively, 'Labour Codes') which are intended to supersede and replace various existing labour legislations. Based on an assessment of the provisions notified to date and the guidance currently available, management believes that the impact of the Labour Codes on the consolidated financial statements is not expected to be material. The Group will continue to evaluate the effect of these changes as and when further regulatory guidance and implementation details become available and will account for the impact, if any, in the period of enactment and/or implementation.

60 During the reporting year ended 31 March 2026, the Group has incurred a net loss amounting to ₹ 2,853.99 million (31 March 2025: ₹ 1,883.83 million) and as of that date, the Group's accumulated losses amounting to ₹ 7,102.86 million (31 March 2025: ₹ 4,242.46 million).

Further, the Group's current liabilities exceed its current assets by ₹ 2,551.19 million as at 31 March 2026 (current assets exceeded current liabilities as on 31 March 2025: ₹ 256.01 million). While the Group has been incurring losses during its initial years, the Group has prepared its business plan in view of expected growth opportunities and intends to significantly scale up its business operations going forward. During the current reporting year, the Group has opened new stores at prominent locations of Mumbai, Delhi, New York and store expansions at Kolkata and Surat. Further, it is in the process of expanding its overseas retail network. The aforesaid initiatives and measures are expected to result in generation of increased revenue and in turn increase in the profitability of the Group in the coming years.

The Group has been able to settle its payment obligations towards creditors, lenders, employees, government and other payables in a timely manner. During the current reporting year, the Group has raised ₹ 4,113.01 million in form of debt from lenders as explained in Note 24 and basis its market standing, is expecting to raise additional funds, as and when required, in form of debt to fund its cash flow requirements. Further subsequent to reporting year ended, the Group has received funding by way of debt of ₹ 1,373.70 million.

Accordingly, basis the future projections and fundings received in current year and subsequent reporting year, the management believes that the Group will be able to meet all its liabilities/ obligations as and when they fall due in foreseeable future, hence these consolidated financial statements have been prepared on a going concern basis.

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PURPLE STYLE LABS LIMITED MUMBAI

61 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 held any transaction with another company whose name has been struck off except as mentioned below:

Name of the struck off entity	Nature of transactions with struck off entity	Amount of transactions	Balance outstanding	Relationship with the struck off entity
S V Electronics Private Limited	Purchase of consumables	0.00	-	External supplier - purchased through online marketplace

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

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 years ended 31 March 2026 and 31 March 2025.

x. The Group has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

xi. None of the entities in the Group is a Core Investment Company (CIC) as defined in the regulations made by the RBI. Further, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

62 The figures for the previous year have been regrouped/ reclassified wherever necessary to correspond with the current year's classification / disclosure. The impact of regrouping / reclassification in the previous year's figures are not material to the financial statements.

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

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

Rakesh R. Agarwal
Partner
Membership No: 109632

Place: Mumbai
Date: 17 June 2026

For Shah & Kathariya
Chartered Accountants
Firm Registration No. 115171W

P. M. Kathariya
Partner
Membership No: 031315

Place: Mumbai
Date: 17 June 2026

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: 17 June 2026

Abhinav Agarwal
Whole-time director
DIN: 07178846

Place: Mumbai
Date: 17 June 2026

Umesh Pawan Choudhary
Chief Financial Officer

Place: Mumbai
Date: 17 June 2026

Gulshan Mumtaz Khan
Company Secretary and Compliance Officer
Membership No: A57061

Place: Mumbai
Date: 17 June 2026