



# purple

FINANCE

**ANNUAL  
REPORT**

**2023 - 2024**

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## **Our Mission**

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To offer secured loans to Micro and Small Enterprises through a digital process, transparent commercials and superior turnaround time. In this journey of providing financial assistance to micro and small enterprises, we will remain committed to strong corporate governance, which we believe is a key ingredient of success. We will imbibe risk management as a culture across our organisation

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## **Our Vision**

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To create a large and profitable NBFC. Build a future-ready organisation that will serve Environmental, Social, Corporate Governance (ESG) objectives as a core strategic endeavour.



# Chairman's Message



**Amitabh Chaturvedi**  
Founder & Executive Chairman

Dear Shareholders,

I am pleased to present our Annual Report for the year 2023-2024, marking another year of resilience and growth for Purple Finance. In the face of evolving market dynamics and regulatory changes, we have navigated with prudence and determination, delivering robust results and reinforcing our commitment to excellence.

This year has been pivotal as we focused on laying a robust foundation through strategic investments in both our people and cutting-edge technology. Like the unseen portion of an iceberg, much of our progress remains below the surface, yet poised for significant impact. As Ralph Waldo Emerson once said, 'The creation of a thousand forests is in one acorn.' Our efforts today, hidden from view but steadily growing, will soon manifest into achievements that redefine our future. We are committed to transparency, growth, and innovation, and look forward to unveiling the fruits of our labor in the coming year.

In 2023, we started our journey with 3 branches, strategically positioned to cater to local businesses' financial needs. By March 2024, we have expanded our footprint significantly, operating 20 branches spanning across 3 states. Looking ahead, our vision is to achieve a pan-India presence, ensuring every MSME has access to the resources they need to thrive. We understand the diverse challenges and opportunities across different regions, and our expansion strategy is designed to bridge the gap between financial services and underserved communities. By expanding our reach, we aim to strengthen local economies, drive innovation, and create sustainable impact that extends beyond financial transactions, empowering MSMEs to achieve their fullest potential. We have been at it since October 2022, and while we are happy to see how far we have come, we are excited about the possibilities of the future.

The Reverse Merger and subsequent listing of the Company on BSE Limited and Calcutta Stock Exchange Limited was a coming-of-age moment for the Company. In F.Y. 2024, continuing our growth trajectory, our AUM grew by 134%. We extended our reach by 17 branches and are now present in 3 states. It was a year we invested behind people and technology platform, for it forms the base on which scale can be built with profitability and governance. We look at the coming year with anticipation. We are committed to nurturing controlled aggression to fuel our Company's growth and confront inevitable challenges head-on. At this early stage of infancy, we recognize the extensive journey ahead of us and the significant work yet to be done. While the future remains uncertain, our pledge is unwavering: to approach it with our utmost dedication and determination. Building a good Company is difficult enough; building an Institution is the summit of perseverance and vision. As the saying goes, 'Great things are not done by impulse, but by a series of small things brought together.' - Vincent Van Gogh" Yet, it's this challenge that fuels our passion and determination to create lasting impact and prosperity. Embracing each obstacle as an opportunity, we remain steadfast in our commitment to forge a path of sustainable growth and meaningful change. On behalf of all Purplites, I thank our shareholders, employees, bankers, investors, vendors, regulators, customers and all the stakeholders for their trust. Trust is the North Star of Financial Services, we will do our best never to slip on your trust. We are on an infinite journey with no finish line. Together, let us continue to shape a future where MSMEs thrive, grow, and contribute to the prosperity of our great nation.



# Board Of Directors



**Amitabh Chaturvedi**  
Founder &  
Executive Chairman



**Rajeev Deoras**  
Co-Founder &  
Executive Director



**Ajay Kumar Pandey**  
Non-Executive Director  
(Independent)



**Sumeet Sandhu**  
Non-Executive Director  
(Independent)



**Minal Chaturvedi**  
Non-Executive Director



**Amit Sonawala**  
Non-Executive Director  
(Independent)

# Leadership



**Amitabh Chaturvedi**  
Founder &  
Executive Chairman



**Rajeev Deoras**  
Co-Founder &  
Executive Director



**Sabyasachi Rath**  
Co-Founder & CEO



**Souvik Dasgupta**  
Co-Founder & CBO



**Sonal Vira**  
Co-Founder & CFO



**Mrinalini Sahai**  
Co-Founder &  
Legal & Compliance



**Vinay Patel**  
Operations & Technology



**Gunjan Mishra Browne**  
Human Resources



**Saurabh Lall**  
Credit



**Asim Padhi**  
Product & Policy



# Notice Of 30<sup>th</sup> Annual General Meeting



**NOTICE** is hereby given that the Thirtieth Annual General Meeting ('AGM') of the Shareholders ('Shareholders' or 'Members') of **Purple Finance Limited** ('Company') will be held on Friday, 02<sup>nd</sup> August, 2024, at 03:00 p.m. IST through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

## **ORDINARY BUSINESS:**

### **1. Adoption of audited Financial Statements and Reports thereon:**

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

To adopt and approve the audited Standalone Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2024, together with the Reports of the Board of Directors and Auditors thereon; and

### **2. Appointment of a Director in place of the one retiring by rotation**

To appoint a Director in place of Ms. Minal Chaturvedi (DIN:05315800) who retires by rotation in terms of section 152(6) of Companies Act, 2013 and being eligible offers herself for re-appointment.

The profile of Ms. Chaturvedi is enclosed as Annexure-A.

## **SPECIAL BUSINESS**

### **3. Approval of creation of charge on the properties of Company under Section 180(1) (a) of the Companies Act, 2013:**

To consider and, if thought fit to pass, with or without modification(s), the following resolutions as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, (including any statutory modifications, or re-enactments thereof) and pursuant to the provisions of the Articles of Association of the Company and on the recommendation of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to mortgage, hypothecate, pledge and/ or charge, including and/ or in addition to mortgage, hypothecation, pledge and/ or charge already created on all or any of the movable and/ or immovable properties of the Company (both present and future) and/ or any other assets or properties of the Company and/ or the whole or part of any of the undertaking of the Company, for securing the borrowing availed or to be availed by the Company, by way of loans or otherwise, in foreign currency or in Indian currency, from time to time up to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only) (apart from temporary loans obtained from the Company's bankers in the ordinary course of



**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** any of the Directors/ Company Secretary of the Company be and are hereby jointly and severally authorized to do all acts, deeds, matters and things including filing of necessary forms with the Ministry of Corporate Affairs to give effect to this resolution.

**RESOLVED FURTHER THAT** a certified true copy of the aforesaid resolution be forwarded to the concerned and they be requested to act thereon.”

#### **4. Approval of Borrowings Powers of the Company under Section 180(1) (c) of the Companies Act, 2013:**

To consider and, if thought fit to pass, with or without modification(s), the following resolutions as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, (including any statutory modifications, or re-enactments thereof) and pursuant to the provisions of the Articles of Association of the Company and on the recommendation of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, any sum or sums of monies, from any one or more of the Company’s bankers and/or from any one or more other banks, persons, firms, companies/body corporates, financial institutions, institutional investor(s) and/or any other entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance, deposits, loans, or bill discounting, issue of debentures, commercial papers, long or short term loan(s), syndicated loans, either in rupees and/or such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets, licenses and properties (whether movable or immovable, present or future) and all or any of the undertaking of the Company, stock-in-process or debts, for the purpose of the Company’s business, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, if any, (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed, at any time, the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, reserves which are not set apart for any specific purposes, provided that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only).

**RESOLVED FURTHER THAT** the Board of Directors/ Finance Committee of the Company in this regard be and are hereby empowered and authorised to arrange or fix/negotiate the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, securities or otherwise as they may think fit and are further authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

**RESOLVED FURTHER THAT** any of the Directors/ Company Secretary of the Company be and are hereby jointly and severally authorized to do all acts, deeds, matters and things including filing of necessary forms with the Ministry of Corporate Affairs to give effect to this resolution.

**RESOLVED FURTHER THAT** a certified true copy of the aforesaid resolution be forwarded to the concerned and they be requested to act thereon.”



**5. Approval of request received from persons belonging to the Promoter Group for reclassification from “Promoter Group” category to “Public” category.**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or any amendment or any substitution or re-enactment thereof, for the time being in force), and subject to necessary approvals from BSE Limited (BSE), Calcutta Stock Exchange Limited (CSE) and/ or such other appropriate statutory authorities as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the following persons from “Promoter Group” category to “Public” category –

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of shareholding / voting rights
1.	Mr. Anil Kumar	8,62,000	2.56
2.	Mr. Souvik Dasgupta	1,50,000	0.45
3.	Ms. Mrinalini Sahai	50,000	0.15
4.	Mr. Surendra Sodhi	5,75,016	1.71
5.	Mr. Debashish Mishra	6,33,333	1.88
6.	Mr. Sunil Mittal	2,50,000	0.74
7.	Mr. Dilip Kumar Mittal	2,50,000	0.74
8.	Mr. Rushabh Shah	83,340	0.25
9.	Ms. Swati Mohapatra	71,000	0.21
10.	Mr. Ashis Mohanty	3,33,294	0.99
11.	Mr. Venugopalan Swaminathan	75,000	0.22
12.	Mr. Raoul Kapoor	75,000	0.22
13.	Mr. Ajit Sharma	1,75,000	0.52
14.	Mr. Shouryendu Ray	76,000	0.23
15.	Mr. Manas Ray	76,000	0.23
16.	Mr. Jaiprakash Pandey	15,000	0.04
17.	Ms. Neeta Shah	15,000	0.04
18.	Mr. Dharmesh Shah	15,000	0.04
19.	Ms. Emy Mody	50,000	0.15
20.	Mr. Amol Shah	25,000	0.07
21.	Ms. Neema Popat	22,000	0.07
22.	Mr. Ashish Popat	22,000	0.07
23.	Mr. Ramawatar Sharma	20,000	0.06
24.	Ms. Saroj Shukla	5,000	0.01
25.	Ms. Vrishali Wadhivkar	45,820	0.14
26.	M.K. Investment Consultancy Private Limited	32,053	0.10
27.	Tomorrow Capital Enterprises Private Limited	3,33,333	0.99

**RESOLVED FURTHER THAT** the Promoter Group seeking re-classification from the existing “Promoter Group” category to “Public” category, shall continue to comply with the conditions as specified under Regulation 31A of the Listing Regulations for a period of not less than three years from the date of such re-classification.

**RESOLVED FURTHER THAT** Mr. Rajeev Deoras, Executive Director, Mr. Sabyasachi Rath, Chief Executive Officer, Ms. Sonal Vira, Chief Financial Officer, Ms. Mrinalini Sahai, Head- Legal & Compliance and Ms. Ruchi Nishar, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary including intimation to BSE and CSE post members approval and to submit the application for reclassification to BSE and CSE within the permitted time to give effect to this resolution.”

By order of Board of Directors  
**Purple Finance Limited**

Ruchi Nishar  
**Company Secretary & Compliance Officer**  
**M. No. A68260**

Date: 27<sup>th</sup> June, 2024

Place: Mumbai



## NOTES:

1. The explanatory statements as required under Section 102(1) of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto and forms part of this notice.
2. The Ministry of Corporate Affairs ('MCA') has vide its General Circular no. 2/2022 dated 05<sup>th</sup> May, 2022, General Circular no. 21/2021 dated 14<sup>th</sup> December, 2021 read with General circular No. 02/2021 dated 13<sup>th</sup> January 2021, General Circular No. 14/2020 dated 08<sup>th</sup> April 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April 2020 and General Circular No. 20/2020 dated 05<sup>th</sup> May 2020, Circular No. 2/2022 dated 5<sup>th</sup> May 2022, Circular No. 3/2022 dated 5<sup>th</sup> May 2022, General Circular No. 10 & 11/2022 dated 28<sup>th</sup> December, 2022 and General Circular No. 9/2023 dated 25<sup>th</sup> September 2023 (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12<sup>th</sup> May 2020 and 15<sup>th</sup> January 2021 respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC / OAVM, without the physical presence of the Members at a common venue.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The relevant details of the Directors, pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard 2 on General Meetings, seeking appointment / re-appointment at this AGM is enclosed as **Annexure A**.
5. Institutional shareholders/Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are requested to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer at [team@vkmg.in](mailto:team@vkmg.in) and at [compliance@purplefinance.in](mailto:compliance@purplefinance.in). It is also requested to upload the same in the e-voting module in their login.
6. Members are requested to send all communications relating to shares, change of address, bank details, email address, etc. to the RTA at the following address: M/s. Purva Sharegistry (India) Private Limited, 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East), Mumbai- 400011, Maharashtra, India. If the shares are held in electronic form, then change of address and change in the Bank Accounts etc., should be furnished to their respective Depository Participants.
7. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. In compliance with the MCA Circulars and SEBI Circulars, the Annual Report for FY 2023-24, the Notice of the 30<sup>th</sup> AGM and the Instructions for e-voting are being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company / respective Depository Participants. Members may also note that the Annual Report for FY 2023-24 and the Notice convening the AGM are also available on the Company's website [www.purplefinance.in](http://www.purplefinance.in), websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), Calcutta Stock Exchange Limited at [www.cse-india.com/](http://www.cse-india.com/) and on the website of Purva Sharegistry (India) Private Limited ("PSIPL") at <https://www.purvashare.com/>.



9. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act are requested to write to the Company on or before 30<sup>th</sup> July, 2024 through email on [compliance@purplefinance.in](mailto:compliance@purplefinance.in). The same will be replied by/on behalf of the Company suitably in due course of time.
10. Members holding shares either in physical form or in dematerialized form, as on **Friday, July 26, 2024 i.e. cut-off date**, who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [compliance@purplefinance.in](mailto:compliance@purplefinance.in) or by sending an application for the same at the corporate office of the Company situated at 705/706, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp. Gurunanak Hospital, Bandra (E), Mumbai – 400 051 on or before 30<sup>th</sup> July, 2024. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

## 11. Voting through electronic means

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Purva Sharegistry (India) Private Limited (Purva) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by Purva.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013



5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.purplefinance.in](http://www.purplefinance.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and Calcutta Stock Exchange Limited at [www.bseindia.com](http://www.bseindia.com) and [www.cse-india.com](http://www.cse-india.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. <https://evoting.purvashare.com>.
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA General Circular No. 09/2023 dated September 25, 2023.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on 09:00 a.m. on 30<sup>th</sup> July, 2024 and ends on 05:00 p.m. on 01<sup>st</sup> August, 2024. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 26, 2024 may cast their vote electronically. The e-voting module shall be disabled by Purva for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue. The shareholders who have not casted their vote during the e-voting period may cast their votes during the AGM and the e-voting shall remain open for 30 minutes after the conclusion of the meeting.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

**12.**



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/LINKINTIME/PURVA, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>



Individual Shareholders (holding securities in demat mode) login through their Depository Participants	1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

The shareholders should log on to the e-voting website <https://evoting.purvashare.com>.

Click on "Shareholder/Member" module.

Now enter your User ID

1. For CDSL: 16 digits beneficiary ID,
2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
3. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) or [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details  OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>



- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVENT NO. for the relevant <Purple Finance Limited> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO/ABSTAIN” for voting. Select the option YES or NO or ABSTAIN as desired. The option YES implies that you assent to the Resolution, option NO implies that you dissent to the Resolution and option ABSTAIN implies that you are not voting either for or against the Resolution.
- (xi) Click on the “NOTICE FILE LINK” if you wish to view the Notice.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://evoting.purvashare.com> and register themselves in the “Custodians / Mutual Fund” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [evoting@purvashare.com](mailto:evoting@purvashare.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [compliance@purplefinance.in](mailto:compliance@purplefinance.in) (designated email address by company) , if they have voted from individual tab & not uploaded same in the Purva e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is the same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVENT NO. of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.



4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [compliance@purplefinance.in](mailto:compliance@purplefinance.in) . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **atleast 2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [compliance@purplefinance.in](mailto:compliance@purplefinance.in) . These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the Purva e-Voting System, you can write an email to [evoting@purvashare.com](mailto:evoting@purvashare.com) or contact at 022-49614132 and 022-49700138.

All grievances connected with the facility for voting by electronic means may be addressed to Ms. Deepali Dhuri, Compliance Officer, Purva Sharegistry (India) Private Limited, Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400011 or send an email to [evoting@purvashare.com](mailto:evoting@purvashare.com) or contact at 022- 022-49614132 and 022-49700138.



## **ANNEXURE TO THE NOTICE**

### **Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013.**

#### **ITEM NO. 3 & 4:**

This Explanatory Statement is provided as per Section 102 of the Act.

The Shareholders at their meeting held on 12<sup>th</sup> July, 2023 had approved borrowing limits upto INR 100,00,00,000/- (Indian Rupees One Hundred Crore Only). Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any time except with the consent of the members of the Company in a general meeting. Keeping in view the Company's growing business activities and consequently the increasing existing and future funds requirement for the business, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit or through, whether in India or abroad, and whether by way of cash credit, advance, deposits, loans, or bill discounting, issue of debentures, commercial papers, long or short term loan(s), syndicated loans, either in rupees and/or such other foreign currencies as may be permitted by law from time to time, and hence it was proposed to increase the maximum borrowing limits of the Company from INR 100,00,00,000/- (Indian Rupees One Hundred Crore Only) to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only).

Further, the borrowings are required to be secured by way of mortgage, hypothecation, pledge and/ or charge on all or any of the movable and/ or immovable properties of the Company (both present and future) and/ or any other assets or properties of the Company and/ or the whole or part of any of the undertaking of the Company, in favour of lender(s) from time to time. Therefore, it is proposed to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013 to create mortgage, hypothecation, pledge and/or charge the movable and/or immovable properties of the Company towards the borrowings availed or to be availed by the Company under said provisions up to Rs. 200 crore.

The Board recommends these resolutions under Section 180 (1) (c) and 180(1) (a) of the Companies Act, 2013 for the approval of the members as Special Resolutions.

Accordingly, the Board of Directors recommends the resolution as set out at Item No. 3 and 4 of the Notice, for the approval of the members by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company, or their respective relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 3 and 4 of the Notice.

#### **ITEM NO. 5:**

Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provides a mechanism regarding reclassification from "Promoter Group" category to "Public" category. In terms of the said Regulation, the following persons belonging to Promoter Group had vide letter dated 26<sup>th</sup> June, 2024 requested the Company for reclassification of their shareholding from the existing "Promoter Group" category to "Public" category in the Shareholding Pattern of the Company and/ or such other places wherever their names appears:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of shareholding / voting rights
1.	Mr. Anil Kumar	8,62,000	2.56
2.	Mr. Souvik Dasgupta	1,50,000	0.45
3.	Ms. Mrinalini Sahai	50,000	0.15
4.	Mr. Surendra Sodhi	5,75,016	1.71
5.	Mr. Debashish Mishra	6,33,333	1.88
6.	Mr. Sunil Mittal	2,50,000	0.74
7.	Mr. Dilip Kumar Mittal	2,50,000	0.74
8.	Mr. Rushabh Shah	83,340	0.25
9.	Ms. Swati Mohapatra	71,000	0.21
10.	Mr. Ashis Mohanty	3,33,294	0.99
11.	Mr. Venugopalan Swaminathan	75,000	0.22
12.	Mr. Raoul Kapoor	75,000	0.22
13.	Mr. Ajit Sharma	1,75,000	0.52
14.	Mr. Shouryendu Ray	76,000	0.23
15.	Mr. Manas Ray	76,000	0.23
16.	Mr. Jaiprakash Pandey	15,000	0.04
17.	Ms. Neeta Shah	15,000	0.04
18.	Mr. Dharmesh Shah	15,000	0.04
19.	Ms. Emy Mody	50,000	0.15
20.	Mr. Amol Shah	25,000	0.07
21.	Ms. Neema Popat	22,000	0.07
22.	Mr. Ashish Popat	22,000	0.07
23.	Mr. Ramawatar Sharma	20,000	0.06
24.	Ms. Saroj Shukla	5,000	0.01
25.	Ms. Vrishali Wadhivkar	45,820	0.14
26.	M.K. Investment Consultancy Private Limited	32,053	0.10
27.	Tomorrow Capital Enterprises Private Limited	3,33,333	0.99

On the basis of the requests received by the Company and pursuant to the provisions of Regulation 31A (3) (b) of the SEBI Listing Regulations, the aforesaid shareholders seeking reclassification have confirmed that they alongwith persons related to them together –

- i. do not hold more than ten percent of the total voting rights in the Company;
- ii. do not exercise control over the affairs of the Company whether directly or indirectly;
- iii. do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv. do not represent on the Board of Directors of the Company (including not having a nominee director);
- v. are not acting as a Key Managerial Person in the Company;
- vi. are not 'willful defaulter' as per the Reserve Bank of India Guidelines;
- vii. are not a fugitive economic offender.

Further, the aforesaid shareholders have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A (4) of the SEBI Listing Regulations, 2015 post such reclassification from "Promoter Group" category to "Public Shareholder" category.

The said requests for reclassification were considered and analyzed by the Board of Directors at its meeting held on 27<sup>th</sup> June, 2024, which require members' approval by way of Ordinary Resolution, approval from BSE Limited, Calcutta Stock Exchange Limited and /or such other approval, if any as may be required. After receipt of the necessary approvals and re-classification, the Promoters & Promoter Group shareholding in the Company would be 59.21% of the total Equity Paid up Share Capital of the Company.



Accordingly, the Board of Directors recommends the resolution as set out at Item No. 5 of the Notice, for the approval of the members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company, or their respective relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 5 of the Notice.

## ANNEXURE-A

### PROFILE OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THIS 30<sup>th</sup> ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Name	Ms. Minal Chaturvedi (DIN: 05315800)
Date of Birth	05/05/1965
Date of first appointment	28/12/2013
Expertise in Specific functional areas	She is a commerce graduate with 15 years' experience in the corporate lending and syndication. She was earlier responsible for business development. She's a commerce graduate from Mumbai University. Apart from this, Minal Chaturvedi is also renowned yoga practitioner, who holds several certifications in therapeutic yoga.
Terms and Conditions for appointment/ re-appointment	Re-appointment as the Non-Executive Director of the Company
Remuneration last drawn / remuneration sought to be paid	N.A.
Directorships held in other companies	Jigsaw Financial Technology Private Limited
Memberships/ Chairmanships of committees across other companies	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Ms. Minal Chaturvedi is the wife of Mr. Amitabh Chaturvedi, Executive Chairman.
Number of Meetings of the Board of Directors attended during the year	Eight (8)
Shareholding in the Company	2.18%
Justification of Appointment	N.A.



# Management Discussion And Analysis Report



## ANNEXURE – I

### FORWARD LOOKING STATEMENTS:

*Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward – looking statements, on the basis of any subsequent developments, information, or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and other factors affecting the operations of the business of the Company.*

*The Financial Statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 (the "Act") and comply with the Accounting Standards notified under section 133 of the Act and SEBI guidelines. The Management of Purple Finance Limited ("PFL") has used estimates and judgments relating to the Financial Statements on a prudent and reasonable basis, to reflect the true and fair view of the state of the affairs of the Company and profit for the year.*

*The following discussion on our financial conditions and results of operations should be read together with our Capital and the notes to these statements which are part of the Annual Report.*

*Unless otherwise stated or the context otherwise require, all reference herein to "we", "us", "our", "your", "the Company", "PFL" or "Purple Finance" are to be taken as "Purple Finance Limited".*

### 1) MACRO ECONOMIC OVERVIEW

#### a) Global Economy

Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.



With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea—and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

The uncertainty on the pace and timing of policy pivots by central banks is keeping financial markets volatile. Equity markets have touched new highs in both advanced and emerging market economies. Non-energy commodity prices have firmed up, while the US dollar and bond yields are exhibiting two-way movement with spillovers to emerging market currencies. Gold prices have surged to record highs on safe haven demand.

While the risk of tight and volatile global financial conditions persists, India's vulnerability to these external shocks likely to be lower in Fiscal 2025. This, coupled with the adequate forex reserves and the Country's good growth prospects, should cushion the impact of a global spill over on Indian macroeconomic conditions. IMF has projected Indian economy to grow at 6.8% in FY 2024-2025.

*Source: International Monetary Fund Forecast*

## **b) Indian Economy**

According to the provisional estimates released by the National Statistical Office (NSO) on May 31, 2024, real gross domestic product (GDP) growth in Q4:2023-24 stood at 7.8 percent as against 8.6 percent in Q3. Real GDP growth for 2023-24 was placed at 8.2 percent. On the supply side, real gross value added (GVA) rose by 6.3 percent in Q4:2023-24. Real GVA recorded a growth of 7.2 percent in 2023-24.

Headline inflation has seen sequential moderation since February 2024, albeit in a narrow range from 5.1 percent in February to 4.8 percent in April 2024. Food inflation, however, remains elevated due to persistence of inflation pressures in vegetables, pulses, cereals, and spices. Deflation in fuel prices deepened during March-April, reflecting the cut in liquefied petroleum gas (LPG) prices. Core (CPI excluding food and fuel) inflation eased further to 3.2 percent in April, the lowest in the current CPI series, with core services inflation also falling to historic lows.

Going forward, high frequency indicators of domestic activity are showing resilience in 2024-25. The south-west monsoon is expected to be above normal, which augurs well for agriculture and rural demand. Coupled with sustained momentum in manufacturing and services activity, this should enable a revival in private consumption. Investment activity is likely to remain on track, with high-capacity utilisation, healthy balance sheets of banks and corporates, Government's continued thrust on infrastructure spending, and optimism in business sentiments. Improving world trade prospects could support external demand. Headwinds from geopolitical tensions, volatility in international commodity prices, and geoeconomic fragmentation, however, pose risks to the outlook. Taking all these factors into consideration, real GDP growth for 2024-25 is projected at 7.2 percent with Q1 at 7.3 percent; Q2 at 7.2 percent; Q3 at 7.3 percent; and Q4 at 7.2 percent (Chart 1). The risks are evenly balanced.

*Source: RBI Monetary Policy Statement dated 21<sup>st</sup> June 2024*

## **2) NBFC SECTOR OVERVIEW**

As per CRISIL projection NBFC credit to grow at 12%-14% between Fiscal 2023 and Fiscal 2025. The credit growth will be driven by the retail vertical, including housing, auto, MSME and microfinance segments. Rapid revival in the economy is expected to drive consumer demand in Fiscal 2024, leading to healthy growth for NBFCs. Moreover, organic consolidation is underway with larger NBFCs gaining share with some of the merger and acquisition in the NBFC space.



The retail credit market in India stood at Rs 60 trillion as of fiscal 2023 and is rapidly growing at a CAGR of 14.3% during Fiscals 2018 and 2023. Retail credit growth in Fiscal 2020 was around approximately 16.3% which came down to approximately 9.5% in Fiscal 2021. However, post-pandemic, retail credit growth revived back to reach approximately 11.3% in Fiscal 2022. In Fiscal 2023, retail credit has grown at approximately 19-20% year on year basis. The Indian retail credit market is expected to further grow at a CAGR of 13-15% between fiscal 2023 to fiscal 2025 and reach a size of Rs 77 trillion by FY 2025. Moreover, the increasing demand and positive sentiments in the Indian retail credit market, presents an opportunity for both banks and NBFCs to broaden their investor base. Share of NBFC credit in the overall systemic credit remained @ 18% in Fiscal 2023.

In terms of the credit to GDP ratio, India has a low credit penetration compared with other developing countries, such as, China, indicating a significant untapped potential. Similarly, in terms of credit to households as a proportion of GDP as well, India lags other markets.

Rural India accounts for about half of GDP, but only about 8% of total credit and 9% of total deposits. Rural India under penetration and untapped market presents a huge opportunity for growth. Credit to metropolitan areas has decreased over the past few years with its share decreasing from 66% as at March 31, 2018 to 62% as at June 30, 2023. Between the same period, credit share has witnessed a marginal rise in rural and urban areas.

Asset quality for NBFCs is influenced by various factors such as economic cycle, target customer segment, geographical exposure, and local events. Within the NBFC universe itself, it is observed that various asset classes tend to exhibit heterogeneous behaviour. For example, the asset quality in small business loans and personal loans tends to be highly correlated with the macroeconomic environment. On the other hand, microfinance loans have shown lower historic correlation with macroeconomic cycles. This is because asset quality is more influenced by local factors, events that have wide ranging repercussions such as demonetisation and COVID-19 and relative leverage levels amongst borrowers.

It is estimated that the GNPA's for NBFCs to have reduced significantly at the end of Fiscal 2023. The gross NPAs for NBFCs have reduced to 5.8% in FY 22 and expected to be around 4.8% in FY 23. It is expected the same will further reduce by at least 50 bps in FY 24.

The share of disbursements for NBFCs in unsecured loans and MSME finance, the non-traditional segments, has increased over the past 1.5 years. In the first half of this fiscal, ~35% of incremental disbursements were for unsecured loans. Small business loans grew at a fast pace, registering a CAGR of 15% over Fiscal 2018 and 2023. It is estimated that outstanding small business loans given out by banks and NBFCs to be around Rs 11.7 trillion as of March 2023.

The LAP portfolio NPAs have reduced from 4.7% in March 21 to 4.3% in March 22. With increasing branch network, customer acquisition and credit penetration, share of MSME loans is also expected to increase. Number of branches have grown at 16% CAGR over Fiscals 2017 and 2023 and is around 6638 branches.

*Source: 1) CII-KPMG Report for NBFC: February 2024; 2) NBFC Report by CRISIL & ASSOCHAM; 3) Market Intelligence and Analytics for NBFCs by CRISIL and Northern Arc: December 2023*



### 3) FINANCIAL PERFORMANCE AND BUSINESS OVERVIEW

The following table presents the financial results of the Company's operations for the year ended March 31, 2024:

Particulars	(Rs. in '000)	
	FY 2023-2024	FY 2022-2023*
Gross income	44,422.38	25,607.73
NPA & other provisions (ECL Provisions)	481.17	8,162.32
Other expenses	1,76,522.86	79,710.71
Profit / (loss) before tax	(1,32,581.66)	(62,265.30)
Current Tax	-	246.84
Deferred Tax	(56,455.12)	816.73
Provision for tax	-	(50.45)
Net Profit / (loss) after tax	(76,126.54)	(63,278.42)

\* Previous year figures have been regrouped / rearranged wherever necessary.

The Company incurred a loss before tax of Rs. 7,61,26,535.86/- during the FY 2023-24 as compared to loss before tax of Rs. 6,32,78,422.78/- for the FY 2022-23. The Company is in the build-up phase, and now has the Senior Management team in place. The Company has opened 17 branches in the Financial Year marking its presence in 3 different states across India. This has led to investments in human resources and technology which will start giving results going forward. This involved substantial investment in building branch network, implementing IT systems, hiring manpower and other opex with a view to increase disbursements and become an institution of size in the future engaged in MSME secured lending. Your Company will continue to expand in this segment with new branches, investment in technology and hiring additional manpower to increase distribution foot print. The Management has a view to build a large institution in retail lending in coming years backed by strong governance, compliance, risk metrics and would do substantial investment in technology to improve operational efficiency and reduce cost.

#### SHAREHOLDERS' FUNDS

As of March 31, 2024, the Shareholders' funds of the Company amounted to Rs. 48,32,95,657.46/- as compared to Rs. 17,29,64,768.78/- as on March 31, 2023.

### 4) OUTLOOK AND OPPORTUNITIES

Purple Finance Limited is into MSME lending which is a very large and untapped market to tap into. Micro, Small and Medium Enterprise sector has been recognized as the backbone of the Indian economy for the past several decades expected to drive the Country's growth and employment generation. The Government envisages MSMEs to contribute USD 2 trillion to the target of becoming USD 5 trillion economy by 2024. In August 2021, MSME Ministry announced a target to boost MSME contribution to the GDP to 50% by 2025. India has approximately 6.3 crore MSMEs and the number of registered MSMEs stood at 80.16 lakh units as on March 31, 2022, indicating that 88% of enterprises still exist in the informal sector. Micro sector accounts for more than 99% of total estimated number of MSMEs and around 97% of total employment in the sector. Out of the estimated 633.88 million MSMEs, 324.88 lakh (51.25%) are in rural areas, while 309 lakh (48.75%) are in urban areas.

The credit gap to MSMEs have increased from Rs 69.3 trillion to estimated Rs 92 trillion in FY 2023 as per government estimate. The new MSME units continue to be set up across India. Between Fiscals 2016 and 2022, 18.3 million units were set up, according to the Government of India registration data of MSMEs. Thus, though a myriad of small businesses is set up every day in India, access to credit remains a challenge.



However, the industry has witnessed an increase in access to formal credit to MSME, which could be attributed to the increase in the number of registered MSMEs to 13,093,698 in Fiscal 2023 from 495,013 in Fiscal 2016.

Hence this is a huge opportunity for Purple Finance Limited to address this untapped MSME lending market through secured product offering.

## 5) CHALLENGES

NBFCs also have their share of challenges. One of the biggest challenges facing NBFCs in India is access to funding. Unlike banks, which have access to low-cost deposits, NBFCs must rely on borrowing from banks or issuing bonds to raise funds. This can make it difficult for NBFCs to compete with banks on interest rates. The dependence on banks have increased cost of funds for NBFCs. In Fiscal 2023, NBFCs borrowings from banks witnessed high growth resulting in an increase in share to 36% of total funding up from 29% at the end of Fiscal 2022. Share of bank's lending to NBFCs have almost doubled during last 10 years. As per a CRISIL report there is a need of around Rs 10 trillion funding by NBFCs to cater to their growth in Fiscal 2024 to 2026. There must be alternate avenues like NCDs, Bonds, Securitisation etc. which will augment this funding requirement of NBFCs apart from bank funding. New NBFCs especially unrated one will continue facing challenge in raising funding.

The second challenge is competition from banks. Looking at the attractive segment of MSME lending many banks, Fintech companies and several large and small NBFCs have become active lately in MSME segment. Purple Finance Limited. must stay competitive through superior customer service, quick disbursal, and technology enhancement to stay relevant. Also as mentioned above this challenge is partially mitigated because of large untapped MSME market.

## 6) INTERNAL CONTROL SYSTEMS

The Company has adequate systems of internal control in place which are commensurate with its size and the nature of operations. The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations. The Company also monitors various activities through defined policies, process, and SOPs. The Company has strong corporate governance framework and the same is continuously reviewed through various committees like Board of Directors, Management Committee, Risk Management Committee, IT Committee, HR Committee etc.

## 7) RISKS & CONCERNS

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The Company recognizes that risk is an integral part of business and is committed to managing the risk in proactive and efficient manner. The Company had adopted risk management system through framework of different policies and creating a robust internal monitoring process to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the system establishes a structured and disciplined approach to Risk Management.

The Company is exposed to specific risks that are particular to its business and the environment within which it operates. This includes market risk, credit risk, liquidity and interest rate risk, regulatory risk, macro-economic risk, etc.

- **Market Risk:** The Company does not invest in market instruments therefore has limited exposure to market risk.



- **Credit Risk:** Credit risk is the risk arising out of default or failure on the part of borrowers in meeting their financial obligations towards repayment of loans. Thus, credit risk is a loss as a result of non-recovery of funds lent both on principal and interest counts. There is robust credit process with the risk oversight. The client selection is clearly defined, capability of repayment is rigorously assessed to reduce the defaults and since most of the loans are secured against assets which are valued by independent agencies and the loan to value ratio is restricted, chances of non-recoverability in case of default are minimized. The Company proposes to use various tools like portfolio analytics, bounce analysis, month on board analysis, early vintage analysis and net flow forward analysis to monitor early stress in the portfolio. These will be reported to senior management through Risk Management Committee periodically and if required course correction is undertaken.
- **Liquidity and Interest Rate Risk:** The Company is exposed to liquidity risk principally, as a result of lending and investment for maturity period which may differ from those of its funding sources. The Company will manage this risk by prudent management of resources including long term loans.
- **Regulatory Risk:** As an entity in the financial services sector, the Company is subject to regulations by Indian governmental authorities, including the Reserve Bank of India. Their laws and regulations impose numerous requirements on the Company, including asset classification and prescribed levels of capital adequacy, solvency requirements and liquid assets. There may be future changes in the regulatory system or in the enforcement of the laws and regulations that could adversely affect the Company's performance. All the players are sensitive to this risk and any adverse effect is not isolated to the Company.
- **Macro-economic Risk:** Any unfavourable economic conditions, unstable political environment and changes in Government policies could impact the growth of the Company. Any slowdown in the Indian economy and in particular the financing business could adversely affect the Company's business. The rural economy is resilient and market is also very large, therefore any slowdown will have only temporary effect.
- **Operational Risk:** The Company is exposed towards various operational risks in the course of its business relating to people, internal controls, processes, technology, infrastructure and other external factors. Towards minimizing operational risks, the Company has created 'maker-checker' rule in all processes. The Risk Management Committee monitors the operation processes. The Company believes its efforts to continuously strengthen its risk framework and portfolio quality will help it build a stable business franchise.

Access to capital and funds, both short term and long term, managing asset-liability mismatches and managing growth without compromising asset quality are some of the challenges faced by all the players, big and small, in the NBFC sector. Your Company is no exception to this. However, we constantly invest in people, processes, technology and systems to manage and mitigate these challenges. Strong credit underwriting processes, early warning checks, strong portfolio analytics to minimise portfolio delinquency are on-going efforts.

## 7. HUMAN CAPITAL

Your Company recognizes that Human Capital is one of the most critical assets of any business enterprise. Guided by this very philosophy the Company ensures recruitment of the most suitable manpower, trains them to handle their respective roles, empowers them to discharge their duties well and provide an enabling environment for their professional growth. The Company has a well-defined on-boarding process and well-structured post joining induction process. The Company also has deployed a digitally advanced Human Resource Management System (HRMS) to automate most of the HR processes and controls. Currently the Company employs around 180 people.

Date: 27.06.2024

Place: Mumbai

For and on behalf of the Board of Directors  
Purple Finance Limited

Amitabh Chaturvedi  
Executive Chairman  
DIN: 00057441

Rajeev Deoras  
Executive Director  
DIN: 02879519

26.



# Director's Report



## CORPORATE INFORMATION

<b>BSE SCRIP ID</b>	PURPLEFIN
<b>BSE SCRIP CODE</b>	544191
<b>CSE SCRIP CODE</b>	26505
<b>CIN</b>	U67120MH1993PLC075037
<b>REGISTERED OFFICE</b>	1 <sup>st</sup> Floor, Indu Chamber 349/353, Samuel Street, Vadgadi, Masjid Bunder (West), Mumbai- 400003, Maharashtra, India.
<b>CORPORATE OFFICE</b>	705/706, 7 <sup>th</sup> Floor, Hallmark Business Plaza, Opposite Gurunanak Hospital, Bandra East, Mumbai- 400051, Maharashtra, India,
<b>BOARD OF DIRECTORS</b>	
Mr. Amitabh Chaturvedi	Executive Chairman
Mr. Rajeev Deoras	Executive Director
Ms. Minal Chaturvedi	Non-Executive Director
Mr. Ajay Kumar Pandey	Independent Director
Ms. Sumeet Sandhu	Independent Director
Mr. Amit Sonawala	Independent Director
<b>KEY MANAGERIAL PERSONNEL</b>	
Mr. Sabyasachi Rath	Chief Executive Officer
Mr. Sonal Vira	Chief Financial Officer
Ms. Ruchi Nishar	Company Secretary & Compliance Officer
<b>MANAGEMENT TEAM</b>	
Mr. Souvik Dasgupta	Chief Business Officer
Mr. Vinay Patel	Head- Operations & Technology
Ms. Mrinalini Sahai	Head- Legal & Compliance
Mr. Saurabh Lall	Head- Credit
Mr. Asim Padhi	Head- Product & Policy
Ms. Gunjan Mishra Browne	Head- Human Resources
<b>BOARD COMMITTEES</b>	
<b>AUDIT COMMITTEE</b>	
Mr. Ajay Kumar Pandey	Chairman
Mr. Amitabh Chaturvedi	Member
Ms. Sumeet Sandhu	Member
Mr. Amit Sonawala	Member
<b>NOMINATION AND REMUNERATION COMMITTEE</b>	
Ms. Sumeet Sandhu	Chairperson
Mr. Ajay Kumar Pandey	Member
Mr. Amit Sonawala	Member

<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	
Mr. Ajay Kumar Pandey	Chairman
Mr. Amitabh Chaturvedi	Member
Mr. Rajeev Deoras	Member
Ms. Sumeet Sandhu	Member
<b>RISK MANAGEMENT COMMITTEE</b>	
Mr. Rajeev Deoras	Chairman
Mr. Amitabh Chaturvedi	Member
Ms. Sumeet Sandhu	Member
<b>FINANCE COMMITTEE</b>	
Mr. Amitabh Chaturvedi	Chairman
Mr. Rajeev Deoras	Member
Mr. Amit Sonawala	Member
<b>Registrar and Share Transfer Agents:</b>	<b>Purva Sharegistry (India) Private Limited</b> Address: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East), Mumbai-400011, Maharashtra, India.
<b>Statutory Auditors:</b>	<b>Jogin Raval &amp; Associates</b> Address: B 101/102, Shri Sai Tower CHS Limited, Sodawala Lane, Nutan Nagar, Borivali West, Mumbai-400092.
<b>Bankers:</b>	IDFC First Bank Limited

## **BOARD'S REPORT**

To the Members,

The Board has the pleasure in presenting the 30<sup>th</sup> Annual Report and the Audited Financial Statements of the Company for the Financial Year ("FY") ended March 31, 2024.

### **1. BACKGROUND**

The Company was incorporated on November 09, 1993 under the Companies Act, 1956 as a Private Limited Company 'Devipura Balaji Securities & Investments Private Limited' and was later converted to a Public Limited Company under the name, 'Devipura Balaji Securities & Investments Limited'.

Devipura Balaji Securities & Investments Limited acquired K. K. Financial Services Private Limited on September 13, 2013 to commence/carry on the business of non-banking financial institution without accepting deposits.

Pursuant to the aforesaid acquisition, the Company applied for name change to Registrar of Companies, Mumbai and received a Certificate of Registration approving change in name to 'Purple Finance Limited' with effect from January 06, 2014.

Hon'ble NCLT, Mumbai Bench on 15<sup>th</sup> February, 2024 has approved merger by Scheme of Absorption of Canopy Finance Limited by Purple Finance Limited.

### **2. NATURE OF THE COMPANY'S BUSINESS**

The Company is a Non-Systematically Important Non-Deposit taking NBFC and is in the business of providing small ticket secured loans to micro and small enterprises. The loan is given for the purposes of business expansion, asset purchase, construction/renovation of business/residential premises and working capital requirement.



The Company's business is based on 3 key pillars of execution as mentioned below:

- Differentiated strategy to enter the market and operate: The Company entered the market with a single product and in three states; Maharashtra, Gujarat and Madhya Pradesh. Recently, the Company has also entered in Uttar Pradesh. The focus helped the Company to understand the market and stream line the processes quickly.
- Tech-as-an-enabler for lean and agile operations: The customer on boarding process is fully digitalized and the Company makes a clear decision on approval of loans (go-no go) within 5 hours. The Company provides efficient services to its customers through its easy to use interface.
- Strong risk & governance for sustainability and profitability: The Company has a wide and robust risk and governance structure. The Company has a defined structure for overseeing, planning, and managing the implementation of daily operations.

### 3. FINANCIAL RESULTS

The performance of the Company for the Financial Year, ended March 31, 2024 is summarized below:

(Rs. in '000)

Particulars	2023-24	2022-23
Revenue from Operations	44,224.28	25,552.63
Other Income	198.09	55.10
<b>Total Income</b>	<b>44,422.38</b>	<b>25,607.73</b>
<b>Less: Expenditure</b>	<b>1,77,004.03</b>	<b>87,873.03</b>
Profit before exceptional and extraordinary items & tax	(1,32,581.66)	(62,265.30)
Less: Exceptional items	-	-
<b>Profit before Tax</b>	<b>(1,32,581.66)</b>	<b>(62,265.30)</b>
Current Tax		246.84
Deferred Tax	(56,455.12)	816.73
Provision for Income Tax	-	(50.45)
<b>Profit after Tax</b>	<b>(76,126.54)</b>	<b>(63,278.42)</b>
<b>Earnings Per Share (of Rs. 10/- each)</b>		
<b>Basic &amp; Diluted</b>	<b>(2.27)</b>	<b>(2.31)</b>

The Company's revenue from operations has increased from Rs. 2,55,52,625.02/- for the F.Y. 2022-23 to Rs. 4,42,24,283.29 for the F.Y. 2023-24. During the year under review, the Company has incurred a loss of Rs. 7,61,26,535.86/- against the loss of Rs. 6,32,78,422.78/- for the previous year.

The Company has forayed into retail secured loans recently and building up capabilities in technology, opening new branches, recruiting talent and expanding geography gradually. This build up phase involves higher initial cost. However, the retail secured lending market is very large and expanding rapidly. The Company is adopting "PHYGITAL" model which is cost efficient. The Directors are confident of robust growth in this segment and as the portfolio grows the operation cost as percentage of asset under management will reduce.

#### **4. SHARE CAPITAL**

The Issued, Subscribed and Paid-up Share Capital of the Company as on March 31, 2024 was Rs. 33,61,49,540/- (Rupees Thirty Three Crores Sixty One Lacs Forty Nine Thousand Five Hundred and Forty Only) divided into 3,36,14,954 (Three Crores Thirty Six Lacs Fourteen Thousand Nine Hundred and Fifty Four) Equity Shares at a face value of Rs. 10/- (Ten) each fully paid up. The Shareholders of the Company consist of Individuals and Body Corporates.

The Paid-up Share Capital of the Company has increased from 23,02,19,530/- to Rs. 33,61,49,540/- pursuant to the approval of the Scheme of Merger by Absorption of Canopy Finance Limited by Purple Finance Limited by allotment of 1,05,93,001 Equity Shares having Face Value of Rs. 10/- each amounting to Rs. 10,59,30,010/- on 17<sup>th</sup> March, 2024.

The shares were allotted at a ratio of 1:1 i.e., 1 (one) equity share of Rs. 10/- each credited as fully paid up for every 1 (one) equity share of the Face value of Rs. 10/- each held by the Shareholders of Canopy Finance Limited.

#### **5. DIVIDEND**

As the Company has made a loss in the Financial Year, the Board of Directors have not recommended any dividend for the year.

#### **6. RESERVE**

No amount is transferred to reserves on account of loss in the Company.

#### **7. REVIEW OF OPERATIONS OF THE COMPANY**

The Company as on March 31, 2024 was operating with twenty branches. The number of employees as on March 31, 2024 was 160. The Company is doing small ticket loans backed by self-occupied residential or commercial properties. As on March 31, 2024 the Company has on boarded around 585 retail customers. The Company has adopted cutting edge technology through third party partners for on boarding of customers, underwriting and disbursement and is live on these systems. These systems give an advantage to your Company through speed to market, agility in customer acquisitions and portfolio monitoring. This technology is secured and has adequate controls against cyber security risks. The Company has a Human Resource Management Software for monitoring and engaging employees. The Company has robust risk management practices and fraud control measures to minimize credit and fraud risk. As on March 31, 2024, 2 loans of Canopy Finance Limited amounting to Rs. 7.34 lac were categorized as Non- Performing Assets (NPAs) and are now part of the Company's books. Out of the said amount, Rs. 5 lac has already been repaid by the borrower and Rs. 2.34 lac remains outstanding as on date. The Company has adopted to high standards of corporate governance and practices through well-defined policies.

#### **8. CHANGE IN THE NATURE OF BUSINESS**

The Company is a registered Non-Banking Finance Company ('NBFC'). The Company has forayed into new line of business of funding small ticket secured loans to Micro Enterprises since October, 2022. The Company had altered its object clause to include insurance solicitation as the main object of the Company pursuant to Shareholders approval on January 12, 2024. The Company is in the process of obtaining Corporate Agency License for Insurance Solicitation.



## 9. RISK MANAGEMENT

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The Company recognizes that risk is an integral part of business and is committed to managing the risk in proactive and efficient manner. The Company had adopted risk management system through framework of different policies and creating a robust internal monitoring processes to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the system establishes a structured and disciplined approach to Risk Management.

### I. RISKS & CONCERNS:

The Company is exposed to specific risks that are particular to its business and the environment within which it operates. This includes market risk, credit risk, liquidity and interest rate risk, regulatory risk, macro-economic risk, etc.

- **Market Risk:** The Company does not invest in market instruments therefore has limited exposure to market risk.
- **Credit Risk:** Credit risk is the risk arising out of default or failure on the part of borrowers in meeting their financial obligations towards repayment of loans. Thus, credit risk is a loss as a result of non-recovery of funds lent both on principal and interest counts. There is robust credit process with the risk oversight. The client selection is clearly defined, capability of repayment is rigorously assessed to reduce the defaults and since most of the loans are secured against assets which are valued by independent agencies and the loan to value ratio is restricted, chances of non-recoverability in case of default are minimized. The Company proposes to use various tools like portfolio analytics, bounce analysis, month on board analysis, early vintage analysis and net flow forward analysis to monitor early stress in the portfolio. These will be reported to senior management through Risk Management Committee periodically and if required course correction is undertaken.
- **Liquidity and Interest Rate Risk:** The Company is exposed to liquidity risk principally, as a result of lending and investment for maturity period which may differ from those of its funding sources. The Company will manage this risk by prudent management of resources including long term loans.
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- **Macro-economic Risk:** Any unfavorable economic conditions, unstable political environment and changes in Government policies could impact the growth of the Company. Any slowdown in the Indian economy and in particular the financing business could adversely affect the Company's business. The rural economy is resilient and market is also very large, therefore any slowdown will have only temporary effect.
- **Operational Risk:** The Company is exposed towards various operational risks in the course of its business relating to people, internal controls, processes, technology, infrastructure and other external factors. Towards minimizing operational risks, the Company has created 'maker-checker' rule in all processes. The Risk Management Committee monitors the operation processes. The Company believes its efforts to continuously strengthen its risk framework and portfolio quality will help it build a stable business franchise.



Access to capital and funds, both short term and long term, managing asset-liability mismatches and managing growth without compromising asset quality are some of the challenges faced by all the players, big and small, in the NBFC sector. Your Company is no exception to this. However, we constantly invest in people, processes, technology and systems to manage and mitigate these challenges. Strong credit underwriting processes, early warning checks, strong portfolio analytics to minimise portfolio delinquency are on-going efforts.

#### **10. INTERNAL FINANCIAL CONTROLS:**

The Management has laid down set of standards, processes and structure which enables to implement internal financial controls across the organization with reference to financial statements and that such controls are adequate and are operating effectively.

The Company has a proper and adequate system of internal financial controls commensurate with its nature and size of business and meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations;
- Efficient use and safeguarding of resources;
- Compliance with policies, procedures and applicable laws and regulations;
- Transactions being accurately recorded and reported timely; and
- The Company has a budgetary control system to monitor expenditures and operations against budgets on an ongoing basis.

#### **11. CORPORATE SOCIAL RESPONSIBILITY**

The provisions of the Companies Act, 2013 for CSR are not applicable to the Company.

#### **12. COMPLIANCE**

The Company is registered with RBI as a NBFC-ND-ICC. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the Master Direction - Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023, as amended from time to time. The Company is categorized as a Base Layer NBFC as per the Master Direction of RBI and adheres to all the norms prescribed by RBI for Base Layer NBFCs.

#### **13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The details of Loans and Investments and guarantees covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

#### **14. DIRECTORS**

The Board of the Company has been duly constituted in accordance with the provisions of the Companies Act, 2013. As on the end of the Financial Year, the Company comprises of the following Directors:



Sr. No.	Name	Designation	DIN
1	Mr. Amitabh Chaturvedi	Executive Chairman	00057441
2	Mr. Rajeev Deoras	Executive Director	02879519
3	Mrs. Minal Chaturvedi	Non-Executive Director	05315800
4	Mr. Ajay Kumar Pandey	Independent Director	00065622
5	Ms. Sumeet Sandhu	Independent Director	10119062
6	Mr. Amit Sonawala	Independent Director	01790348

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under the Companies Act, 2013.

During the year under review, there have been the following changes in the composition of the Board of Directors:

1. Appointment of Mr. Ajay Kumar Pandey as an Independent Director on 23<sup>rd</sup> June, 2023.
2. Appointment of Ms. Sumeet Sandhu as an Independent Director on 23<sup>rd</sup> June, 2023.
3. Resignation of Mr. Sunil Jomraj as a Non- Executive Director on 23<sup>rd</sup> June, 2023.
4. Appointment of Mr. Amit Sonawala as an Independent Director on 29<sup>th</sup> February, 2024.
5. Resignation of Mr. Satyaprakash Pathak as a Non- Executive Director w.e.f. 29<sup>th</sup> February, 2024.

In compliance with Companies Act, 2013 and pursuant to the Articles of Association of the Company, Ms. Minal Chaturvedi, Non- Executive Director retires by rotation and being eligible has offered herself for re-appointment. The Board recommends the same for the approval of the Shareholders.

The necessary resolution for re-appointment of Ms. Minal Chaturvedi forms part of the Notice convening the Annual General Meeting. The profile and particulars of experience that qualify Ms. Minal Chaturvedi for Board membership, are disclosed in the said Notice.

#### 15. **NUMBER OF MEETINGS OF BOARD**

The Board meets at regular intervals to discuss and decide on the Company's business policy and strategy apart from other Board businesses. The Board exhibits strong operational oversight with regular presentations in quarterly meetings. The Board/Committee Meetings are pre-scheduled well in advance to help them plan their schedule and ensure meaningful participation in the Meetings. Only in case of special and urgent business, if the need arises, the Board's or Committee's approval is taken by passing resolutions through circulation or by calling the Board/ Committee Meetings at short notice, as permitted by law. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision.

The Board of Directors of the Company met 8 (Eight) times during the Financial Year 2023-24 and the gap between the Meetings did not exceed 120 days, as prescribed under the relevant provisions of the Companies Act, 2013 and rules made thereunder. The details of the Board Meetings and the attendance of the Directors are given in Corporate Governance Report, which forms part of this Annual Report.

#### 16. **COMMITTEES OF THE BOARD:**

As required under the Act, the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("SEBI LODR Regulations") and RBI Master Directions, the Company has constituted the following statutory committees: 1) Audit Committee 2) Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Company also has non mandatory committees viz. Finance Committee and Risk Management Committee. In addition to the above, the Company has Committee of Executives viz. Management Committee, IT Committee, HR Executive Committee, Executive Risk Management Committee, Asset Liability Management Committee and Operations Management Committee to review specific business, operational matters and other items that the Board may decide to delegate.



Details of all the statutory committees such as terms of reference, composition and meetings held during the year under review are provided in the Report on Corporate Governance which form part of this Annual Report.

## **17. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance and of the individual Directors as well as an evaluation of the working of all the Committees of the Board. The performance evaluation was carried out by seeking inputs from all the Directors / Members of the Committees, as the case may be.

The Board of the Company followed the criteria as specified in the Fit and Proper Criteria and the Code of Conduct Policies for evaluating the performance of the Board as a whole, Committees of the Board, Individual Directors and the Chairperson. The criteria for evaluation of the Board as a whole, inter alia, covered parameters such as Structure of the Board, Meetings of the Board, Functions of the Board and Board & Management. The criteria for evaluation of Individual Directors covered parameters such as knowledge and competency, fulfillment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the Committee, structure of the Committee and Meetings, etc.

The feedback of the Independent Directors and the Board as a whole, the performance of the Chairperson of the Company and the assessment of the quality, quantity and timeliness of flow of information between the Company, the Management and the Board which was taken into consideration by the Board in carrying out the performance evaluation.

## **18. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY**

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Nomination and Remuneration Policy ("NRC Policy").

The NRC Policy develops the competency requirements of the Board based on the industry and the strategy of the Company and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC Policy ensures that the new Directors are familiarized with the operations of the Company and endeavors to provide relevant training to the Directors.

The NRC Policy for Directors, KMPs and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The NRC Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

Salient features of the Remuneration Policy, inter alia, includes:

- Remuneration in the form of Sitting Fees and Commission to be paid to Independent Directors and Non-Independent Non-Executive Directors, in accordance with the provisions of the Act and as recommended by the NRC/Board;
- Remuneration to Managing Director / Executive Directors / Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to run the Company successfully and retain talented and qualified individuals suitable for their roles, in accordance with the defined terms of remuneration mix or composition; and



- No remuneration would be payable to Directors for services rendered in any other capacity unless the services are of a professional nature and the NRC/Board is of the opinion that the Director possesses requisite qualification for the practice of the profession and approval of the Central Government has been received, if required, for paying the same.

The Company has also adopted a 'Fit and Proper' Policy for ascertaining the 'fit and proper' criteria to be adopted at the time of appointment of Directors and on a continuing basis, pursuant to the RBI Master Directions for NBFCs.

19. **REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:**

Your Company has adopted Corporate Governance Code which lays down in detail governance guidelines and practices that are required to be followed while taking decision on various matters. We consider it our inherent responsibility to disclose timely and accurate information regarding the operations and performance, leadership and governance of the Company.

Pursuant to the SEBI LODR Regulations, Management Discussion and Analysis and the Corporate Governance Report forms part of this Annual Report. The Certificates from Twinkle Agarwal, Practicing Company Secretary, regarding compliance of the conditions of Corporate Governance as stipulated by the SEBI LODR Regulations are attached to this report.

20. **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:**

The provisions of Regulation 34(2)(f) of the SEBI LODR Regulations are not applicable to the Company.

21. **PERFORMANCE BASED VARIABLE PAYMENTS:**

As approved by the Board of Directors in their Meeting held on 17<sup>th</sup> September, 2022, the Company shall make performance based variable payments to Mr. Amitabh Chaturvedi, Executive Chairman of the Company on achieving certain milestones to be achieved by the Company such as Net Worth of Rs. 800 Crores, Advances of Rs. 2500 Crores and Profit Before Tax of Rs. 100 Crores.

The variable pay will be linked to the last traded price of equity shares of the Company of the immediate previous year. The amount payable as variable pay shall be computed on the basis of difference of last traded share price of the Company over the base price of Rs. 33/- as multiplied by 8,00,000 shares allocated to the Executive Chairman. The said amount of variable pay will be paid in 3 equal annual instalments with a restriction that no installment can exceed Rs. 10 Crores.

22. **DECLARATION OF INDEPENDENCE**

The Company has received the declarations from all the Independent Directors as per Section 149(7) of the Act and Regulation 16 (1) (b) of the SEBI LODR Regulations and the Board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Act and Regulation 16 (1) (b) of the SEBI LODR Regulations. Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ("MCA") vide its Notification dated October 22, 2019, regarding the requirement relating to enrollment in the data bank created by MCA for Independent Directors, had been received from all Independent Directors.



In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

### **23. DIRECTORS RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company and the audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2024, the applicable accounting standards have been followed and there are no material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the Annual Accounts for the Financial Year ended March 31, 2024 on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **24. KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 203 of the Act, Mr. Sabyasachi Rath, Chief Executive Officer, Ms. Sonal Vira, Chief Financial Officer and Ms. Ruchi Nishar, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company.

### **25. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established a Vigil Mechanism for its Directors and employees to report their concerns or grievances. The said mechanism, inter alia, encompasses the Whistle Blower Policy, the mechanism for reporting of ethical concerns and it provides for adequate safeguards against victimization of persons who use it. The Policy is available on the website of the Company <http://www.purplefinance.in>.



**26. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A 'Prevention of Sexual Harassment' Policy, which is in line with the statutory requirements, along with a structured reporting and redressal mechanism, including the constitution of Internal Complaints Committee in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act"), is in place.

During FY 2023-24, under the provisions of the POSH Act, no complaints were received.

**27. STATUTORY AUDITORS**

M/s. Jogin Raval & Associates, Chartered Accountants (FRN: 128586W) were appointed as the Statutory Auditors of the Company at the Annual General Meeting dated 15<sup>th</sup> May, 2023 of the Company to hold office till the conclusion of the Annual General Meeting of the Company for the Financial Year 2027-28. M/s. Jogin Raval & Associates, Chartered Accountants have provided the Financial Statements of the Company for the Financial Year 2023-24 which forms part of this Annual Report. The Statutory Auditors have submitted an unmodified opinion on the audit of financial statements for the Financial Year 2023-24 and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

**28. COMMENTS OF THE BOARD OF DIRECTORS ON QUALIFICATIONS, RESERVATIONS MADE BY THE STATUTORY AUDITORS**

The Auditor report is self-explanatory and there is no observation, qualification or adverse remarks or disclaimer made by the Auditor in their report.

**29. INFORMATION ON MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Hon'ble NCLT, Mumbai Bench on 15<sup>th</sup> February, 2024 has approved the Scheme of Merger by Absorption of Canopy Finance Limited by Purple Finance Limited. As on 31<sup>st</sup> March, 2024, the Company had filed a listing application for listing of its equity shares on BSE Limited (BSE) and Calcutta Stock Exchange Limited (CSE). The shares of Purple Finance Limited are traded on BSE w.e.f. 14<sup>th</sup> June, 2024 and CSE w.e.f. 18<sup>th</sup> June, 2024.

**30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

**31. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

During the year under review, the Company did not enter into any material transaction (as defined in the Company's policy on related party transactions) with the related parties. All other transactions of the Company with related parties were in the ordinary course of business and at an arm's length. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable. Details of transactions with related parties are disclosed in the Notes to the Financial Statements, forming a part of this Annual Report.

**32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO**

Conservation of energy, technology absorption is not applicable as the Company is not engaged in the manufacturing activity. No foreign exchange was earned during the period.

**33. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in the year under review.

**34. REPORTING OF FRAUDS**

There were no instances of frauds during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or the Board under Section 143(12) of the Act and the rules made thereunder.

**35. ANNUAL RETURN**

In accordance with the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the companies are required to publish a copy of the Annual Return on its website. The Extract of Annual Return is available on our website [www.purplefinance.in](http://www.purplefinance.in).

**36. RBI GUIDELINES**

The Company is registered with Reserve Bank of India ("RBI"), as a non-deposit accepting NBFC ("NBFC-ND-ICC") under Section 45-IA of the RBI Act, 1934. As per Non-Banking Finance Companies RBI Master Directions, the Directors hereby report that the Company did not accept any public deposits during the year and did not have any public deposits outstanding at the end of the year.

**37. POLICIES OF THE COMPANY**

The Board of Directors has formulated the following policies which are available on website of the company [www.purplefinance.in](http://www.purplefinance.in).

1. Code Of Conduct for Directors and Senior Executives;
2. Code of Conduct for Independent Directors;
3. Directors Fit & Proper Criteria;
4. Nomination and Remuneration Policy;
5. Vigil Mechanism / Whistle Blower Policy;
6. Fair Practice Code;
7. Policy for Related Party Transaction; and
8. Policy on Prevention of Sexual Harassment

**38. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiaries, Joint Ventures and associate Companies as on March 31, 2024.



### 39. SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

### 40. EMPLOYEE STOCK OPTION SCHEME:

The Company currently has implemented the “Purple Finance ESOP Scheme 2022” wherein Stock options are granted to the eligible Employees and KMPs of the Company. The details of the Employee Stock Option Scheme as per Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are as follows:

Sr. No.	Particulars	Purple Finance ESOP Scheme 2022
1.	Options Granted	29,31,000
2.	Options Vested	-
3.	Options Exercised	-
4.	The total number of shares arising as a result of exercise of option	-
5.	Options Lapsed	-
6.	The exercise price	Rs.33/- per share
7.	Variation of terms of options	-
8.	Money realized by exercise of options	-
9.	Total number of options in force	-
10.	Employee wise details of options granted to	
	• Key Managerial Personnel*	10,30,000
	• Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	-
	• Identified Employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	-

\*KMP includes managerial personnel as per Companies Act, 2013 only.

Disclosure in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is forming part of this annual report which is available on the website of the Company at the following link: [www.purplefinance.in](http://www.purplefinance.in).

#5 employees of the Company have been categorized as a part of Promoter Group owing to the merger. Hence, 4,00,000 ESOPs out of the 29,31,000 reported above granted to such employees have been cancelled as on date.

#### 41. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Information as per Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirement	Response
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Amitabh Chaturvedi: 1:40 Rajeev Deoras: 1:22
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Amitabh Chaturvedi - 38% Rajeev Deoras - 25% Sabyasachi Rath - 30% Sonal Vira - 28% Ruchi Nishar - 8%
3	The percentage increase in the median remuneration of employees in the financial year	38%
4	The number of permanent employees on the rolls of Company;	160
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	(42%) average percentile change made in the salaries of other than managerial personnel in the last financial year in comparison with 28% increase in the managerial remuneration. No increase observed in the average remuneration of employees as the Company hired more front line sales staff at a lower CTC. Increase in the managerial remuneration is due to increments made for FY 22-23.
6	Affirmation that the remuneration is as per the remuneration policy of the company.	The Nomination and Remuneration Committee of the Company consists of Independent Directors. The Company has in place a Nomination and Remuneration Policy for Directors and Senior Management.

#### 42. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

During the year, no applications were filed against the Company by any financial or operational creditors.

#### 43. HUMAN RESOURCES

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway.

Your Company recognizes that Human Capital is one of the most critical assets of any business enterprise. Guided by this very philosophy the Company ensures recruitment of the most suitable talent to handle their respective roles, empowers them to discharge their duties well and provide an enabling environment for their professional growth. The Company has a well-defined on-boarding process and well-structured post joining induction process. The onboarding and post joining is handled in a well-defined Human Resource Management System (HRMS). The Company lays a lot of emphasis on imparting adequate training and regular training sessions are organized covering business processes and procedures, customer service standards,



underwriting process, collection and credit disbursals functions and so on. As on March 31, 2024, the company had 160 permanent employees

**44. ACKNOWLEDGEMENT**

Your Directors place on record their sincere thanks to business associates, shareholders, consultants and various government authorities for their continued support. The Directors also thank the executives, employees and staff of the Company for their valuable services and support during the year.

**Date: 27.06.2024**

**Place: Mumbai**

**For and on behalf of the Board of Director/s  
PURPLE FINANCE LIMITED**

**Amitabh Chaturvedi  
Executive Chairman  
DIN: 00057441**

**Rajeev Deoras  
Executive Director  
DIN: 02879519**

## Company's Philosophy On Corporate Governance



Our Company strives to adhere to high standards of corporate governance and has established policies and procedures to support transparency, strong business ethics and a well-established compliance framework, including internal audit functions. Our Board comprises of three Independent Directors and operates distinctly from our executive management and supervises our operations through committees designed to manage and oversee key aspects of our business.

Corporate Governance serves as a compass, reflecting our deeply ingrained values, shaping our culture, policies, and relationships with stakeholders. We prioritize integrity and transparency, recognizing them as foundational pillars that underpin our Corporate Governance practices. Our commitment to these principles is unwavering, as they are essential for cultivating and maintaining trust among our stakeholders.

The Company has always been committed to the principles of good Corporate Governance which helps enhancement of long-term shareholder value and interest. This is achieved through increased awareness for responsibility, transparency and professionalism and focus for effective control and management of the organization. We adhere not only to regulatory requirements but also to sound Corporate Governance principles, continuously evolving into our framework through constant review of the Board processes, practices and the management systems to maintain a greater degree of responsibility and accountability.

This report is prepared in accordance with the provisions of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 ("SEBI LODR Regulations") the report contains the details of Corporate Governance systems and processes at Purple Finance Limited.

### **BOARD OF DIRECTORS**

The Board of Directors of Purple Finance Limited, have a fiduciary responsibility to ensure that the Company's actions and objectives are aligned to sustainable growth and long-term value creation. It is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value creation.

Our policy towards the composition of Board is to have an appropriate mix of Executive, Non-Executive, Women and Independent Directors, representing a judicious mix of professionalism, diversity and wide spectrum subject to specific competence in areas critical to the organization, knowledge and experience. This helps to drive value-based guidance whilst maintaining the independence of the Board and to separate its function of Governance and Management.

#### **Composition of the Board of Directors as on March 31, 2024:**

The Board composition is in conformity with Regulation 17 of the SEBI LODR Regulations read with Section 149 of the Act. The Board of the Company has an optimum combination of Executive and Non-Executive Directors with an Independent Woman Director present on its Board. The Chairman of the Board is an Executive Director and half of the total number of Directors comprises of Non-Executive Independent Directors.

The Board of Directors of the Company currently comprises of: -

- Four Non-Executive Directors (including 3 Independent Directors)
- Two Executive Directors (Executive Chairman and Executive Director)



None of the Directors on the Company's Board is a member of more than ten Committees and Chairperson of more than five Committees across all the Indian public limited companies in which he/she is a director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than twenty companies, including ten public companies. The maximum number of Directorships held by all our Directors are well within the limit of seven listed entities and none of the Directors of our Company serve as an Independent Director in more than seven listed entities. Besides, the Executive Chairman of our Company does not serve as an Independent Director in any of the listed entities. All Non-Executive Non-Independent Directors are liable to retire by rotation.

During the year under review 8 (eight) Board Meeting were conducted on April 20, 2023, July 12, 2023, September 21, 2023, October 20, 2023, January 11, 2024, February 29, 2024, March 07, 2024 and March 17, 2024.

The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies, and also their shareholdings in the Company as on March 31, 2024 are given below

DIN	Name of the Directors	Category of Director	No. of Directorship #	No of other Committee Membership(s) / Chairmanship(s) held #		No. of Equity Shares held (Including convertible instruments)	Directorship in other listed entity (Category of Directorship)
				As Chairperson	As Member		
00057441	Mr. Amitabh Chaturvedi	Executive Chairman	NIL	NIL	NIL	65,66,174	NIL
02879519	Mr. Rajeev Deoras	Executive Director	1	1	NIL	4,00,000	NIL
05315800	Ms. Minal Chaturvedi	Non-Executive Director	1	NIL	NIL	7,33,334	NIL
00884844	Mr. Satyaprakash Pathak*	Non-Executive Director	1	NIL	NIL	11,46,735	1
08700427	Mr. Sunil Jomraj*	Non-Executive Director	NIL	NIL	NIL	NIL	NIL
00065622	Mr. Ajay Kumar Pandey*	Non-Executive Independent Director	2	NIL	1	NIL	1
10119062	Ms. Sumeet Sandhu*	Non-Executive Independent Director	NIL	NIL	NIL	NIL	NIL
01790348	Mr. Amit Sonawala*	Non-Executive Independent Director	1	NIL	NIL	NIL	NIL

\*Appointment of Mr. Ajay Kumar Pandey as an Independent Director on 23<sup>rd</sup> June, 2023.

Appointment of Ms. Sumeet Sandhu as an Independent Director on 23<sup>rd</sup> June, 2023.

Resignation of Mr. Sunil Jomraj as a Non- Executive Director on 23<sup>rd</sup> June, 2023.

*Appointment of Mr. Amit Sonawala as an Independent Director on 29<sup>th</sup> February, 2024.*  
*Resignation of Mr. Satyaprakash Pathak as a Non- Executive Director w.e.f. 29<sup>th</sup> February, 2024.*

1. # Excluding Purple Finance Limited
2. Pursuant to Regulation 26(1)(b) of the SEBI Listing Regulations, only two committees viz, Audit and Stakeholders Relationship Committees, have been considered for this purpose.
3. Directors namely Mr. Amitabh Chaturvedi & Ms. Minal Chaturvedi are related to each other under the Act read with the Rules made thereunder. Except as disclosed above, none of our Directors, Key Managerial Personnel and Senior Management Personnel are related to each other.
4. Ms. Minal Chaturvedi liable to retire by rotation and being eligible offers herself for reappointment.

**Skills / expertise/ competencies of the Board of Directors: -**

In terms of requirement of SEBI LODR Regulations, following is the list of core skills /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members: -

Particulars	Category of Director	Area of Skills/Expertise/Competence
Mr. Amitabh Chaturvedi	Executive Chairman	Banking and Financial Service Sector
Mr. Rajeev Deoras	Executive Director	Banking, Corporate Governance and Risk Management
Ms. Minal Chaturvedi	Non-Executive Director	Finance
Mr. Ajay Kumar Pandey	Non-Executive Independent Director	Finance, Corporate Governance and Strategy
Ms. Sumeet Sandhu	Non-Executive Independent Director	Financial Service Sector
Mr. Amit Sonawala	Non-Executive Independent Director	Corporate Governance and Regulatory Compliance

**Attendance of Directors at the Board Meetings during the period April 01, 2023 to March 31, 2024 and at the last Annual General Meeting ('AGM').**

Name of Director*	Board meetings entitled to attend	Number of Meetings attended	Attendance at the last AGM held on (15 <sup>th</sup> May, 2023)
Mr. Amitabh Chaturvedi	08	08	Yes
Mr. Rajeev Deoras	08	08	Yes
Ms. Minal Chaturvedi	08	08	Yes
Mr. Ajay Kumar Pandey	07	07	N.A.
Ms. Sumeet Sandhu	07	07	N.A.
Mr. Amit Sonawala	02	02	N.A.
Mr. Satyaprakash Pathak	06	06	Yes
Mr. Sunil Jomraj	01	0	No

- \* 1. Appointment of Mr. Ajay Kumar Pandey as an Independent Director on 23<sup>rd</sup> June, 2023.  
2. Appointment of Ms. Sumeet Sandhu as an Independent Director on 23<sup>rd</sup> June, 2023.  
3. Resignation of Mr. Sunil Jomraj as a Non- Executive Director on 23<sup>rd</sup> June, 2023.  
4. Appointment of Mr. Amit Sonawala as an Independent Director on 29<sup>th</sup> February, 2024.  
5. Resignation of Mr. Satyaprakash Pathak as a Non- Executive Director w.e.f. 29<sup>th</sup> February, 2024.



## **Code of Conduct for Directors and Senior Management**

The Board has adopted a Code of Conduct (the Code) for its Executive Directors and Non-Executive Directors, who have affirmed compliance with the Code. A declaration to this effect signed by Chief Executive Officer is enclosed at the end of the report. The Code for Board Members and Senior Management of the Company is posted on the website of the Company and may be accessed at the link <https://www.purplefinance.in/policies/>

The adoption of the Code stems from the fiduciary responsibility which the Directors have towards the stakeholders of the Company.

## **Compliance Reports**

At each quarterly meeting of the Board of Directors for approval of financial results, the Chief Executive Officer and Chief Financial Officer place a certificate covering compliance of various provisions of law, as applicable.

## **Board Effectiveness Evaluation**

Pursuant to the applicable SEBI LODR Regulations and the Act, Board evaluation involving evaluation of the Board of Directors, its committees and individual Directors, including the role of the Board Chairman, was conducted during the year.

## **Web link of Familiarisation programme imparted to independent directors: -**

The Company is in process of formulating the familiarization programme for Independent Directors. All the Independent Directors of the Company have obtained proficiency certificate as an Independent Director from Indian Institute of Corporate Affairs (IICA).

## **COMMITTEES OF THE BOARD**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all Committees are placed before the Board. The Board Committees can request special invitees to join the meeting, as they find appropriate.

The Board has currently established the following Committees: -

### **Audit Committee**

The Audit Committee of the Company functions in accordance with the requirement of Section 177 of the Act and Regulation 18 of SEBI LODR Regulations as amended. The composition of the Audit Committee is in compliance of Regulation 18(1) of SEBI LODR Regulations.

The quorum requirement of Audit Committee as per SEBI LODR Regulations is two members or one-third of its members, whichever is higher with minimum 2 Independent Directors and was met for all the meetings held.

The Company Secretary of the Company acts as the Secretary to the Audit Committee. The minutes of each Audit Committee meeting are noted in the next meeting of the Board.

During the year under review, the Audit Committee met 3 (Three) times on September 21, 2023, October 20, 2023 and March 17, 2024. All the Audit Committee Meetings were held within 120 days' time gap.

## Composition of Audit Committee

Name of the Directors	Position	Category of Director	Meetings entitled to attend	Attended
Mr. Ajay Kumar Pandey	Chairman	Non-Executive Independent Director	3	3
Mr. Amitabh Chaturvedi	Member	Executive Chairman	3	3
Ms. Sumeet Sandhu	Member	Non-Executive Independent Director	3	3
Mr. Amit Sonawala	Member	Non-Executive Independent Director	1	1

## Terms of Reference

The broad terms of reference include the following as is mandated in Part C of Schedule II of SEBI LODR Regulations as amended and Section 177 of the Act.

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommend to the Board, the appointment, re-appointment, terms of appointment, remuneration and, if required, replacement or removal of Statutory Auditors and fixation of Audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report;
5. Reviewing, with the management the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.



10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
20. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Company and its shareholders.
22. Review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended at least once in a financial year and verifying that the systems for internal control are adequate and are operating effectively.
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of the Company functions in accordance with the requirement of Section 178(1) of the Act and Regulation 19 of SEBI LODR Regulations as amended. The composition of the Nomination and Remuneration Committee is in compliance of Regulation 19(1) of SEBI LODR Regulations.

The quorum requirement of Nomination and Remuneration Committee as per SEBI LODR Regulations is two members or one-third of its members, whichever is higher with minimum 1(one) Independent Directors in attendance.

The Company Secretary of the Company acts as the Secretary of the Committee. The minutes of each Nomination and Remuneration Committee meeting are noted in the next meeting of the Board.

During the year under review, the Nomination and Remuneration Committee met twice on August 03, 2023 and February 29, 2024.

## Composition of NRC

Name of the Directors	Position	Category of Director	Meetings entitled to attend	Attended
Ms. Sumeet Sandhu	Chairperson	Non-Executive Independent Director	2	2
Mr. Ajay Kumar Pandey	Member	Non-Executive Independent Director	2	2
Mr. Amit Sonawala	Member	Non-Executive Independent Director	0	0
Mr. Satyaprakash Pathak*	Member	Non-Executive Director	2	2

\*Resignation of Mr. Satyaprakash Pathak as a Non- Executive Director w.e.f. 29<sup>th</sup> February, 2024.

### Terms of Reference: -

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: · use the services of an external agencies, if required; · consider candidates from a wide range of backgrounds, having due regard to diversity; and · consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on Board diversity;
5. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by NRC or by an independent external agency and review its implementation and compliance;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

### Performance evaluation criteria for Independent Directors: -

The performance evaluation criteria for Independent Directors forms part of the Directors' report.

### Independent Directors Meeting:

The meeting of Independent Director was held on February 29, 2024

### Remuneration Policy:

The Company has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees in accordance with the provisions of the Act and the SEBI LODR Regulations. For details on the Remuneration Policy, kindly refer to the said policy available on the website of the Company at

<https://www.purplefinance.in/policies/>



## Remuneration to Directors:

### A. Non-Executive Directors

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees in accordance with the Act.

Details of the Remuneration paid to Non-Executive Directors for the year ended March 31, 2024 are as follows: -

Name of the Directors	Sitting Fees Paid (Rs.)
Mr. Satyaprakash Pathak	1,30,000
Ms. Minal Chaturvedi	1,50,000
Mr. Ajay Kumar Pandey	2,00,000
Ms. Sumeet Sandhu	2,00,000
Mr. Amit Sonawala	50,000

During the year under review, none of the Non- Executive Directors of the Company has had any pecuniary relationship or transactions with the Company, other than sitting fees except professional fees amounting to Rs. 75,000 paid to Mr. Ajay Kumar Pandey to act as the Chairman of the NCLT convened Shareholders Meeting for approval of the Scheme of Merger by way of Absorption of Canopy Finance Limited by Purple Finance Limited.

### Criteria for making payments to Non-Executive Directors:

For Non-Executive Directors, the criteria for payment shall be based on criteria viz. the considerations which led to the selection of the Director on the Board and the delivery against the same, contribution made to the Board/Committees, attendance at the Board/Committee Meetings, impact on the performance of the Board/ Committees, instances of sharing best and next practices, engaging with top management team of the Company, participation in strategy Board Meetings etc.

### B. Executive Directors

The remuneration paid to the Executive Directors is commensurate with industry standards and taking into consideration the individual responsibilities shouldered by them and is in consonance with the terms of appointment approved by the Members, at the time of their appointment.

Particulars of Remuneration	Mr. Amitabh Chaturvedi Executive Chairman (Rs in lakhs)	Mr. Rajeev Deoras Executive Director (Rs in lakhs)
<b>1. Gross salary</b>		
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	153.25	85.80
(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	0.65	0.32
(c) Profits in lieu of salary under section 17(3) of Income- tax Act, 1961	-	-
2. Stock Option	-	-
3. Sweat Equity	-	-
4. Commission - as % of profit	-	-
5 Others, please specify	-	-
<b>Total</b>	<b>153.90</b>	<b>86.12</b>
<b>Service Contract</b>	-	-
<b>Notice period</b>	<b>90 days</b>	<b>90 days</b>

## Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company functions in accordance with the requirement of Section 178(5) of the Act and Regulation 20 of SEBI LODR Regulations as amended. The composition of the Stakeholders Relationship Committee is in compliance of Regulation 20 of SEBI LODR Regulations.

The quorum requirement of Stakeholders Relationship Committee as per SEBI LODR Regulations is two members or one-third of its members, whichever is higher with minimum 1(one) Independent Directors in attendance.

The Company Secretary of the Company acts as the Secretary of the Committee. The minutes of each Stakeholders Relationship Committee meeting are noted in the next meeting of the Board.

The Stakeholders Relationship Committee was formed by the Company on 29<sup>th</sup> February, 2024 and no meetings of the Committee were held during the year.

### Terms of Reference: -

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### Status of Shareholders' Complaints (including SCORES complaints):

Complaints pending as on March 15, 2024	NIL
Number of complaints	
- received during the year	NIL
- resolved during the year	NIL
<b>Complaints pending as on March 31, 2024</b>	<b>NIL</b>

There are no complaints pending or unresolved to the satisfaction of shareholders.

## GENERAL BODY MEETINGS

### I. Location and time of the last three Annual General Meetings (AGM) held

Date	Venue	Time	Special Resolutions Passed
May 15, 2023	705/706, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp. Gurunanak Hospital, Bandra (E), Mumbai – 400 051	04.30 PM	Yes
June 07, 2022	Other audio visual means	01.00 PM	Yes
September 30, 2021	11, Indu Chambers, 349/353, Samuel Street, Masjid Bunder West, Mumbai – 400003	11.00 AM	No



**Details of Special Resolutions passed last three financial years through Postal Ballot: No Special Resolution passed in last three years through postal ballot.**

**I. Location and time of the Extra-Ordinary General Meetings (EGM) held during the Financial Year 2023-2024**

<b>Date</b>	<b>Venue</b>	<b>Time</b>	<b>Special Resolutions Passed</b>
July 12, 2023	705/706, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp. Gurunanak Hospital, Bandra (E), Mumbai – 400 051	06.00 PM	Yes
November 16, 2023	705/706, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp. Gurunanak Hospital, Bandra (E), Mumbai – 400 051	04.00 PM	Yes
January 12, 2024	705/706, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp. Gurunanak Hospital, Bandra (E), Mumbai – 400 051	02.00 PM	Yes
March 01, 2024	705/706, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp. Gurunanak Hospital, Bandra (E), Mumbai – 400 051	02.00 PM	Yes

**OTHER DISCLOSURES**

- (i) Hon'ble NCLT, Mumbai Bench on February 15, 2024 has approved the Scheme of Merger by Absorption of Canopy Finance Limited by Purple Finance Limited. As on March 31, 2024, the Company had filed a listing application for listing of its equity shares on BSE Limited (BSE) and Calcutta Stock Exchange Limited (CSE). The shares of Purple Finance Limited are traded on BSE w.e.f. June 14, 2024 and CSE w.e.f. June 18, 2024. The mandatory requirements of Corporate Governance as per SEBI Listing Regulations were not applicable to the Company in the Financial Year 2023-2024.
- (ii) Details of all the related party transactions during the year have been set out in the Annual Accounts. These are not having any potential conflict with the interests of the Company at large.
- (iii) Laid down procedures for assessment and minimization of risk are being reviewed and updated periodically by the Board of Directors.
- (iv) Certificate from the Chief Executive Officer and Chief Financial Officer in terms of Part B of Schedule II pursuant to Regulation 17(8) of the SEBI LODR Regulations for the Financial Year ended March 31, 2024 was placed before the Board of Directors of the Company at its meeting held on June 27, 2024.
- (v) The Company is in the process of formulating a comprehensive code of conduct to regulate, monitor and report trading by insiders ("The Code") in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The Code clearly specifies, among other matters, that the Designated Persons of the Company can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is being closed during the time of declaration of results, dividend and other events, as per the Code.
- (vi) As required under the Act and as stipulated in SEBI LODR Regulations the Company has formulated a Whistle Blower Policy for its Directors and permanent employees. Under the Policy, instances of any irregularity, unethical practice and / or misconduct can be reported to the Management for appropriate action. Further, it is affirmed that no personnel of the Company has been denied access to the Audit Committee.
- (vii) The Company has not granted any Loans and advances in the nature of loans to firms/companies in which Directors are interested.

(viii) The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. An Internal Complaints Committee has been set up for the purpose. There were no Complaints filed, disposed of, or pending during the financial year ended March 31, 2024.

**(ix) Discretionary Requirements: (as per Part E of Schedule II of SEBI LODR Regulations)**

Particulars	Status
a) Modified opinion(s) in audit report	During the financial year 2023-24, there was no audit qualification in the financial statements of the Company and Auditors have expressed an unmodified opinion on their report on the financial statements of the company
b) Separate posts of Chairman and the Managing Director or the Chief Executive Officer	As on the date of this report, the Chairman of the Board is an Executive Director and his position is separate from that of the Chief Executive Officer. They are not related to each other.
c) Reporting of Internal Auditor	Internal Auditors of the Company present their findings/report to the Audit Committee on periodic basic.

(x) The Board has accepted all the mandatory recommendations of all the Committees.

(xi) No agreement as specified in clause 5A of Para A of Part A of schedule III were entered by the Company except one Shareholders Agreement entered between Tomorrow Capital Enterprises Private Limited, Mr. Amitabh Chaturvedi and Purple Finance Limited which stands cancelled vide agreement dated June 13, 2024.

**MEANS OF COMMUNICATION**

Hon'ble NCLT, Mumbai Bench on February 15, 2024 has approved the Scheme of Merger by Absorption of Canopy Finance Limited with Purple Finance Limited. As on March 31, 2024, the Company had filed a listing application for listing of its equity shares on BSE Limited (BSE) and Calcutta Stock Exchange Limited (CSE). The shares of Purple Finance Limited are traded on BSE w.e.f. June 14, 2024 and CSE w.e.f. June 18, 2024. These provisions were not applicable to the Company in the Financial Year 2023-2024.

**GENERAL SHAREHOLDER INFORMATION**

**a. AGM** - date, time and venue: Friday, August 02, 2024, 03:00 p.m. through Video conferencing/ Other Audio/ Visual Means (OAVM)

**b. Financial Year:** 2023-2024

**c. Dates of book closure:** N.A.

**d. Dividend Payment Date:** N.A.

**e. Details of Stock Exchange(s):**

**BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

**Calcutta Stock Exchange Limited**

7, Lyons Range, Kolkata, WB – 700001



**i. Stock Code**

<b>BSE Limited</b>	544191
<b>Calcutta Stock Exchange Limited</b>	26505
<b>ISIN Number for NSDL and CDSL</b>	INE0CYK01015

**j. Market Price Data** - Not applicable for the Financial Year 2023-2024

**k. Market price date** - Not applicable for the Financial Year 2023-2024

**l. Shareholding pattern as on March 31, 2024**

<b>Category</b>	<b>No. of Equity shares held</b>	<b>%</b>
Promoters & Promoter Group	2,42,41,096	72.11
Mutual Funds/ UTI	NIL	NIL
Banks, Financial Institutions, Insurance Companies	NIL	NIL
Foreign Portfolio Investors	NIL	NIL
Bodies Corporate, Limited Liability Partnership	19,65,387	5.85
Individuals	44,69,530	13.29
NBFCs registered with RBI	NIL	NIL
NRIs	5,209	0.02
Employee Benefit Trust	NIL	NIL
Any Other - Trust, Clearing Members, HUF, AIF -III	29,33,732	8.73

**m. Distribution of Shareholding as on March 31, 2024:**

<b>Category of Shares</b>	<b>Number of Shareholders</b>	<b>Number of Shares held</b>	<b>% of Shareholding</b>
1 - 500	552	56,861	0.16
501 - 1000	98	84,920	0.25
1001 - 5000	161	3,94,337	1.17
5001 - 10000	54	4,33,735	1.29
10001 - 100000	106	43,95,633	13.08
100001 and above	34	2,82,49,468	84.04
<b>TOTAL:</b>	<b>1,005</b>	<b>3,36,14,954</b>	<b>100</b>

**n. Registrar and Share Transfer Agents:**

<b>Name</b>	Purva Sharegistry (India) Private Limited
<b>Address</b>	9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Lower Parel (East), Mumbai- 400011, Maharashtra, India.
<b>Contacts:</b>	Mr. Vinayak Karande
<b>Telephone:</b>	022 - 35700224
<b>Email</b>	<a href="mailto:support@purvashare.com">support@purvashare.com</a>
<b>Website</b>	<a href="http://www.purvashare.com">www.purvashare.com</a>

Consolidation of folios and avoidance of multiple mailing in order to enable your Company to reduce costs and duplication of efforts for investor servicing, members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to consolidate all similar holdings under one folio. This would help in monitoring the folios more effectively. Members may write to the Registrar and Transfer Agent indicating the folio numbers to be consolidated. The address of RTA is given above.

**o. Share transfer system/payment of dividend and for any other query relating to shares, the shareholders may contact at the below address:**

9, Shiv Shakti Industrial Estate, J.R.Boricha Marg Lower Parel (East), Mumbai- 400011, Maharashtra, India.

**p. Outstanding GDR / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on Equity**

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2024.

**q. Dematerialisation of shares:** All the shares of the company are held in demat form as on March 31, 2024.

**r. The foreign exchange risk and hedging activities forms a part of the financial statements.**

**s. Commodity price risk or foreign exchange risk and hedging activities: -**

The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk.

**t. Plant location: -**

None

**u. Address for correspondence: -**

<b>Registered Office</b>	11, 1 <sup>st</sup> Floor, Indu Chamber 349/353, Samuel Street, Vadgadi, Masjid Bunder (West), Mumbai- 400003, Maharashtra, India
<b>Corporate Office</b>	705/706, 7 <sup>th</sup> Floor, Hallmark Business Plaza Opposite Gurunanak Hospital, Bandra East, Mumbai- 400051, Maharashtra, India
<b>Contact Person:</b>	Ms. Ruchi Nishar
<b>Telephone</b>	022-69165100
<b>Email</b>	compliance@purplefinance.in

**v. Certificate from Practicing Company Secretary on Non-Disqualification of Directors**

Certificate from practicing company secretary stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed as 'Annexure – II' forming part of this Report.

**w. Disclosures with respect to demat suspense account/unclaimed suspense account**

**a)** aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year - 0

**b)** number of shareholders who approached listed entity for transfer of shares from suspense account during the year - 0



- a) number of shareholders to whom shares were transferred from suspense account during the year – 0
- b) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year - There were 4,50,500 shares lying in unclaimed Demat Suspense Account and as unclaimed shares and there were 258 shareholders as on March 31, 2024.
- c) the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**x. Details of Utilisation of funds raised through preferential allotment: -**

During the year under review, The Company has raised Rs. 5,00,00,000/- (Rupees Five Crore Only) by issuance of 500 (Five Hundred) Subordinated, Unsecured, Unlisted, Redeemable Non-Convertible Debentures on October 04, 2023.

# Certificate On Corporate Governance



To,  
The Members,  
Purple Finance Limited  
11, 1<sup>st</sup> Floor, Indu Chamber 349/353,  
Samuel Street, Vadgadi, Masjid Bunder (West),  
Mumbai-400003

I have examined the compliance of conditions of Corporate Governance by **Purple Finance Limited** ('the Company') for the year ended **March 31, 2024**, as stipulated in Regulation 17 to 27, 46(2) (b) to (i), Schedule II and V (paragraphs C, D and E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as amended from time to time and as applicable to the Company for the Financial Year 2023-24. I have obtained all the information and explanations which to the best of my knowledge and belief are necessary for the purpose of certifications.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI LODR Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Twinkle Agarwal**  
Company Secretary in Practice  
ICSI Peer Review No: 2540/2022

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Twinkle Agarwal  
Membership No. 52868(A)  
COP: 25605

UDIN: A052868F000626485

Date: 27.06.2024  
Place: Kolkata



# Certificate For Non-Disqualification Of Directors



(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
Purple Finance Limited  
11, 1<sup>st</sup> Floor, Indu Chamber 349/353,  
Samuel Street, Vadgadi, Masjid Bunder(West),  
Mumbai-400003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Purple Finance Limited** (CIN: U67120MH1993PLC075037) and having registered office at 11, 1<sup>st</sup> Floor, Indu Chamber 349/353, Samuel Street, Vadgadi, Masjid Bunder (West), Mumbai - 400003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Amitabh Chaturvedi	05315800	20/12/2013
2.	Mr. Rajeev Deoras	02879519	09/03/2022
3.	Ms. Minal Chaturedi	00057441	09/03/2022
4.	Mr. Ajay Kumar Pandey	01790348	29/02/2024
5.	Ms. Sumeet Sandhu	00065622	28/06/2023
6.	Mr. Amit Sonawala	10119062	28/06/2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Twinkle Agarwal  
Company Secretary in Practice

Twinkle Agarwal  
Membership No: A52868  
C.P. No.: 25605

Date: 27.06.2024  
Place: Kolkata

ICSI Peer Review No. :2540/2022  
UDIN: A052868F000626463

57.

# Secretarial Audit Report



## Form No. MR-3

### Secretarial Audit Report

(For the Financial Year ended 31<sup>st</sup> March, 2024)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Purple Finance Limited  
11, 1<sup>st</sup> Floor, Indu Chamber 349/353,  
Samuel Street, Vadgadi, Masjid Bunder (West),  
Mumbai-400003

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Purple Finance Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended as on 31<sup>st</sup> March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended as on 31<sup>st</sup> March, 2024, to the extent applicable, according to the provisions of:

- a) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- b) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- c) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- d) Reserve Bank of India Act, 1934

I have also examined compliance with the applicable clauses of the Secretarial Standards i.e., Secretarial Standard-I and II issued by The Institute of Company Secretaries of India.



In respect of other laws specifically applicable to the Company, I have relied in information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting. As per the Minutes of the Meetings duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** the Company has been merged as per order dated 15<sup>th</sup> day of February, 2024 passed by Hon'ble National Company Law Tribunal, Mumbai Bench with M/s Canopy Finance (hereinafter referred to as "Transferor Company") and pursuant to such merger the Transferor Company has been dissolved dissolved without winding up. The appointed date for such merger is 1<sup>st</sup> day of October, 2022 and the shareholders of the Transferor Company have be given shares in the Company in the ratio of 1:1. Further, the Company has been listed on BSE Limited on 14<sup>th</sup> June, 2024 and Calcutta Stock Exchange Limited on 18<sup>th</sup> June, 2024.

**I further report that** during the Audit Period, the Company has not undertaken any specific events / actions that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

**For Twinkle Agarwal  
Company Secretary in Practise**

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**Twinkle Agarwal  
Membership No. 52868(A)  
COP: 25605**

**UDIN: A052868F000626419  
ICSI Peer Review No: 2540/2022**

**Date: 27.06.2024  
Place: Kolkata**

*Note: This Report is to be read with our letter of even date which is annexed as Annexure -A and forms an integral part of this report.*

**Annexure 'A'**

**To,  
The Members,  
Purple Finance Limited  
1<sup>st</sup> Floor, Indu Chamber 349/353,  
Samuel Street, Vadgadi, Masjid Bunder (West),  
Mumbai-400003**

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on audit;
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion;
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company;
4. Wherever required, I have obtained Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards etc. is the responsibility of Management. My examination was limited to the verification of procedures on test basis;
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Twinkle Agarwal  
Company Secretary in Practise**

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**Twinkle Agarwal  
Membership No. 52868(A)  
COP: 25605**

**UDIN: A052868F000626419  
ICSI Peer Review No: 2540/2022**

**Date: 27.06.2024  
Place: Kolkata**



# Declaration Of Code Of Conduct



To,  
The Board of Directors  
Purple Finance Limited.

I, Sabyasachi Rath, Chief Executive Officer, Purple Finance Limited, hereby affirm that the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2024.

For Purple Finance Limited

Sd/-  
**Sabyasachi Rath**  
**Chief Executive Officer**

**Date: 27<sup>th</sup> June, 2024**

# CERTIFICATE FROM CEO AND CFO



To,  
**The Board of Directors**  
Purple Finance Limited  
11, 1<sup>st</sup> Floor, Indu Chamber,  
349/353 Samuel Street,  
Vadgadi, Masjid Bunder (West),  
Mumbai-400003

Dear Sir/Ma'am,

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Sabyasachi Rath**  
Chief Executive Officer  
Date: 27<sup>th</sup> June, 2024

Sd/-  
**Sonal Vira**  
Chief Financial Officer



# Independent Auditor's Report



To,  
The Members of  
Purple Finance Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Purple Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss (including comprehensive income/loss), Statement of Changes in Equity, and the Statement of Cash Flows, for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, the profit and other comprehensive income, statement of changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

We conducted our audit of the financial statement in accordance with the Standards on Auditing ("SA"s) 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 Financial Statements section of our report. We are independent of the Company 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Emphasis of Matter

We draw attention to notes 47 and 51.10 of the Standalone Financial Statements which state that the Scheme of Merger by Absorption ("Scheme"), has been given effect to, based on the Appointed date 01<sup>st</sup> October 2022 as approved by National Company Law Tribunal which is deemed to be the acquisition date for the purpose of accounting under Ind AS 103 'Business Combinations'.

Our opinion on the Standalone financial statements is not modified in respect of this matter.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial statements.

Key Audit Matters	How the matter was addressed in our audit
<p><b>Acquisition accounting for the Scheme of Merger by Absorption ('Scheme') of Canopy Finance Limited (CFL) with the Company</b></p> <p>During the year, the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') has approved the Scheme of Merger by Absorption ('Scheme'), of CFL with the Company, vide order dated 15th February 2024 effective from Appointed date of the scheme being 1<sup>st</sup> October 2022. Accordingly, the financials for the year ended 31<sup>st</sup> March, 2023 have also been restated to give effect to the scheme.</p> <p>Accounting for the amalgamation has involved judgment in order to:</p> <ul style="list-style-type: none"><li>• determine the fair value of consideration transferred;</li><li>• identify and measure the fair value of the identifiable assets acquired and liabilities assumed;</li><li>• allocate the purchase consideration between identifiable assets and liabilities and goodwill;</li><li>• This is a material acquisition for the Company and given the level of estimation and judgement required, we considered it to be a key audit matter.</li></ul> <p>(Reference to Notes 47 and 51.10 to the Standalone Financial Statements)</p>	<p><b>Audit procedures included but were not limited to the following:</b></p> <ul style="list-style-type: none"><li>• Obtained an understanding of the Scheme and the transaction from the management and identified key terms relevant to the accounting for the transaction.</li><li>• Read relevant parts of the approval obtained from NCLT and assessed the Company's conclusion as regard business combination accounting in accordance with Ind AS 103 with respect to the amalgamation.</li><li>• We tested the completeness of the identified assets and liabilities acquired by comparison to the scheme of arrangement, through discussions with the Company.</li><li>• We assessed the Company's determination of fair values for assets and liabilities acquired and the methods used to value the underlying assets</li><li>• We have reviewed the restated financials of financial year 2022-2023 to the extent of effect on account of merger by absorption.</li></ul>



**Transition to Indian Accounting Standards (“Ind AS”)**

The Company has adopted Ind AS notified under section 133 of the Companies Act 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2023 and the effective date of such transition is April 01, 2022. For periods up to and including the year ended March 31, 2023, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). In order to give effect of the transition to Ind AS these financial statements for the year ended March 31, 2024, together with the comparative financial information for the previous year ended March 31, 2023 and the transition date balance sheet as at April 1, 2022 have been prepared under Ind AS.

The transition to Ind AS, has involved changes in the Company’s policies and processes relating to financial reporting. Further, the management has also exercised judgement (wherever applicable) in giving effect to various principles of Ind AS in its first-time adoption.

In view of the complexity and the resultant risk of a material misstatement arising from an error or omission in correctly implementing the principles of Ind AS at the transition date, which could result in a misstatement of one or more periods presented in these Standalone Ind AS Financials Statements, this has been an area of key focus in our audit.

**Our audit procedures included the following:**

- Assessed the Company’s process to identify the impact of adoption and transition to the new accounting standards.
- Understanding the financial statement closure process and the controls established by the Company for transition to Ind AS.
- Reading and assessing the changes made to the accounting policies due to the requirements of the new financial reporting framework.
- Reviewed the exemptions availed by the Company from certain requirements under Ind AS
- Assessing the judgements exercised by the management in applying the first-time adoption principles of Ind AS 101 especially in respect of fair valuation of assets as at transition date
- Testing accounting adjustments posted as at the transition date, and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.
- Assessing the disclosures included in the Standalone Ind AS Financial Statements in accordance with the requirements of Ind AS.

**Information Other than the Financial Statement and Auditor’s Report thereon**

The Company’s Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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. We have nothing to report in this regard.



### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance along with other comprehensive income/loss, statement of changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

In preparing the financial statements, board of directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 SAs 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 financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013 we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 management's 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 company's ability 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

The comparative financial information of the Company for the year ended 31st March, 2023, prepared in accordance with Ind GAAP which have been restated as per IND AS, were audited by the predecessor auditor. The report of the predecessor auditor on the same expressed an unmodified opinion. Our opinion on the Statement is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement of the matters specified in paragraph 3 and 4 of the Order.

As required by section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit Loss (including other comprehensive income), Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a Director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.



- a) 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:
- 1) The company does not have any pending litigations which would impact its financial position in its financial statements.
  - 2) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - 3) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year under audit.
  - 4) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company 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;
  - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations made under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- 5) The Company has not declared any dividend during the year.
- 6) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility but the same has not been operated throughout the year for all relevant transactions recorded in the software. The company migrated from Tally Prime software to Tally Prime edit log with effect from 15<sup>th</sup> March, 2024. Consequently, we are unable to comment on audit trail feature under the previous software version. Further during the course of our audit, for the period for which the audit trail facility had been operational during the year, we did not come across any instance of audit trail being tampered with.

**For Jogin Raval & Associates**

**Chartered Accountants**

ICAI's firm registration number: 128586W

CA Jogin Raval

**Proprietor**

Membership number: 122197

Place: Mumbai

Date: 20<sup>th</sup> April, 2024

UDIN: 24122197BKAOPI9872



**Annexure 'A' to the Independent Auditors Report of the company for year ended 31st March, 2024  
(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) **a)** The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - b)** The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The company doesn't have any immovable property other than the right-of-use assets.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31<sup>st</sup>, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The company is a Non-Banking Finance Company, primarily lending loans and the company's business does not involve inventories, accordingly Clause 3 (ii)(a) of the Order is not applicable to the company;
  - (b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of net current assets. The quarterly returns/ statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) (a) The company is a Non-Banking Finance Company, whose principal business is to give loans, accordingly Clause (iii)(a) is not applicable
  - (b) In our opinion, the investments made and the terms and conditions of the grant of all loans and advances in nature of loans, during the year are, prima facie, not prejudicial to the company's interest.
  - (c) In respect of loans/advances in nature of loans granted by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest has generally been regular as per stipulation. In cases where stipulated EMI's/ loan repayment are delayed, then provisioning of expected credit loss/ non-performing assets are made by company.
  - (d) In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2024, is Rs. 734.45 Thousands. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon. Refer Note 4 in the financial statements.



- (e) The company is a Non-Banking Finance Company, whose principal business is to give loans, accordingly Clause (iii)(e) is not applicable.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under Clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The company has not accepted deposits or amounts which are deemed to be deposits, from the public. Hence, reporting under Clause 3(v) is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under Sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order is not applicable.
- (vii) (a) The company has generally deposited amount deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, profession tax and any other statutory dues to the extent applicable with the appropriate authorities. There are no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred to in items covered in sub clause (a) above, to the extent applicable, as at 31<sup>st</sup> March, 2024, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year
- (ix) (a) The company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lender. Hence reporting under Clause 3(ix)(a) of the Order is not applicable.
- (b) The company is not declared as wilful defaulter by any bank or financial institution or other lender;
- (c) The company has applied the term loans for the purposes for which the said loans were obtained;
- (d) On an overall examination of the financial statements of the company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the company
- (e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year, hence reporting on Clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made private placement of shares during the year under



- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Company has not received any whistle blower complaint during the year and upto the date of this report
- (xii) The Company is not a Nidhi Company, hence Clause 3(xii)(a), (b), (c) of the Order is not applicable;
- (xiii) The transactions with the related parties are in compliance with sections 177 and 188 of the Act, 2013 where applicable and details have been disclosed in the financial statements, as required by the applicable Indian accounting standards;
- (xiv) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business
- (b) The company is not required to have an internal auditor's u/s 138 of the Companies Act 2013.
- (xv) The company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
  - (a) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934 as an Investment & Credit Company (Non-Deposit) since the year prior to year under audit.
  - (b) The Company has conducted Non-Banking financial activities with a valid certificate of registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - (c) The company is not a Core Investment Company and hence clause xvi (c) is not applicable.
  - (d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3(xvi) (d) of the Order is not applicable.
- (xvii) On the basis of our examination of the records of the company, the company has incurred cash losses in the financial year of Rs. 1,218.68 Lacs and Rs. 479.63 Lacs in the immediately preceding financial year
- (xviii) During the year, there has been resignation of statutory auditors, due to requirement of peer review auditor as per rules of SEBI (LODR) Regulation, 2015. The outgoing auditors did not raise any issues, objections or concerns and we have obtained no objection certificate from the outgoing auditors for our appointments as statutory auditors of the company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company.

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) During the year under audit, the provisions of Section 135 of the Companies Act, 2013 are not applicable hence Clause 3(xx)(a) and (b) of the Order are not applicable;
- (xxi) The reporting under paragraph 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of paragraph 3(xxi) has been included in the report.

**For Jogin Raval & Associates**

**Chartered Accountants**

ICAI's firm registration number: 128586W

CA Jogin Raval

**Proprietor**

Membership number: 122197

Place: Mumbai

Date: 20<sup>th</sup> April, 2024

UDIN: 24122197BKAOPI9872



**Annexure 'B' to the Independent Auditors Report of the company for year ended 31<sup>st</sup> March, 2024  
(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our  
report of even date)**

**Report on the Internal Financial Controls**

We have audited the internal financial controls over financial reporting of Purple Finance Limited ("the Company") as of March 31<sup>st</sup>, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

The company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**For Jogin Raval & Associates**

**Chartered Accountants**

ICAI's firm registration number: 128586W

CA Jogin Raval

**Proprietor**

Membership number: 122197

Place: Mumbai

Date: 20<sup>th</sup> April, 2024

UDIN: 24122197BKAOPI9872



# Financial Statements



Purple Finance Limited  
Balance Sheet Statement as at 31st March 2024

(Rs in '000)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
<b>ASSETS</b>				
<b>1 Financial Assets</b>				
(a) Cash & Cash Equivalents	2	32,652.65	46,386.76	389.23
(b) Bank balance other than (a) above		-	-	-
(c) Receivables	3			
I) Trade Receivables		-	-	-
II) Other Receivables		69.54	623.85	7,691.98
(d) Loans	4	304,849.50	130,359.66	68,645.09
(e) Investments	5	8,943.54	75,671.77	82,889.63
(f) Other Financial Assets	6	3,848.83	2,394.74	74.60
<b>Total Financial Assets</b>		<b>350,364.06</b>	<b>255,436.78</b>	<b>159,690.52</b>
<b>2 Non Financial Assets</b>				
(a) Current Tax Assets (Net)	7	548.10	1,000.31	1,075.94
(b) Deferred Tax Assets (Net)	8	55,842.68	-	619.69
(c) Property, Plant & Equipment	9 (A)	30,520.64	26,431.22	7,660.35
(d) Goodwill	9 (B)	268,258.08	268,258.08	-
(e) Other Intangible Assets	9 (B)	12,557.85	14,480.05	-
(f) Other Non Financial Assets	10	20,652.15	19,309.04	668.02
<b>Total Non Financial Assets</b>		<b>388,379.50</b>	<b>329,478.70</b>	<b>10,024.00</b>
<b>Total Assets</b>		<b>738,743.56</b>	<b>584,915.48</b>	<b>169,714.53</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>1 Financial Liabilities</b>				
(a) Payables	11			
<b>I) Trade Payables</b>				
i) total outstanding dues of micro enterprises and small enterprises		299.73	9.00	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,115.94	4,821.54	404.96

<b>II) Other Payables</b>				
i) total outstanding dues of micro enterprises and small enterprises				
		-	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises				
		2,459.91	329.68	-
(b) Debt Securities	12	50,000.00	-	-
(c) Borrowings	13	171,282.38	2,964.37	3,962.14
(d) Lease Liabilities	14	22,128.18	18,268.31	-
(e) Other Financial Liabilities	15	1,363.12	382,348.92	3,478.19
<b>Total Financial Liabilities</b>		<b>249,649.26</b>	<b>408,741.82</b>	<b>7,845.29</b>
<b>2 Non Financial Liabilities</b>				
(a) Current Tax Liabilities (Net)				
		-	-	-
(b) Provision	16	2,792.48	921.38	-
(c) Deferred Tax Liabilities (Net)	17	-	616.40	-
(d) Other Non Financial Liabilities	18	3,006.15	1,671.11	1,654.85
<b>Total Non Financial Liabilities</b>		<b>5,798.64</b>	<b>3,208.89</b>	<b>1,654.85</b>
<b>3 Equity</b>				
(a) Equity Share Capital				
	19	336,149.54	230,219.53	205,386.19
(b) Other Equity	20	147,146.12	(57,254.76)	(45,171.81)
		<b>483,295.66</b>	<b>172,964.77</b>	<b>160,214.38</b>
<b>Total Liabilities and Equity</b>		<b>738,743.56</b>	<b>584,915.48</b>	<b>169,714.53</b>

Notes forming part of financial statement

1- 55

As per our report of even date

For Jogin Raval & Associates

Chartered Accountants

ICAI's firm Registration Number: 128586W

For and on behalf of the Board of Directors of

For Purple Finance Limited

(CIN: U67120MH1993PLC075037)

CA Jogin Raval

Proprietor

Membership No.: 122197

Place : Mumbai

Date : 20th April, 2024

UDIN: 24122197BKAOPI9872

Amitabh Chaturvedi

Executive Chairman

(DIN: 00057441)

Rajeev Deoras

Director

(DIN: 02879519)

Sonal Vira

Chief Financial Officer

Sabyasachi Rath

Chief Executive Officer

Ruchi Nishar

(Membership No. A68260)

Company Secretary



Purple Finance Limited  
Profit and Loss Statement for the year ended 31st March 2024

(Rs in '000)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
<b>Revenue from operations</b>			
Interest income	21	29,044.32	12,925.03
Fees and commission income	22	5,404.72	472.46
Sale of services	23	890.00	2,340.00
Dividend income	24	194.67	694.43
Net gain on fair value changes	25	8,690.59	9,120.70
<b>Total revenue from operations</b>		<b>44,224.28</b>	<b>25,552.63</b>
Other income	26	198.09	55.10
<b>Total income</b>	<b>(I)</b>	<b>44,422.38</b>	<b>25,607.73</b>
<b>Expenses</b>			
Finance costs	27	10,411.00	1,504.78
Employee benefit expenses	28	116,530.84	50,237.41
Impairment on financial instruments	29	481.17	8,162.32
Depreciation, amortization and impairment	30	11,768.64	6,689.71
Other expenses	31	37,812.39	21,278.81
<b>Total expenses</b>	<b>(II)</b>	<b>177,004.03</b>	<b>87,873.03</b>
<b>Profit before tax expense/ income</b>	<b>(I - II)</b>	<b>(132,581.66)</b>	<b>(62,265.30)</b>
<b>Tax expense:</b>			
1) Current tax		-	246.84
2) Deferred tax	33	(56,455.12)	816.73
3) Provision for tax related to earlier years		-	(50.45)
		<b>(56,455.12)</b>	<b>1,013.12</b>
<b>Profit for the year (A)</b>		<b>(76,126.54)</b>	<b>(63,278.42)</b>
<b>Other comprehensive income:</b>			
(I) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		(15.74)	-
(ii) Income tax impact		3.96	-
(II) Items that will be reclassified to profit or loss			
(i) Financial instrument		-	-
(ii) Income tax impact		-	-
<b>Other comprehensive income/(loss) net of tax for the year (B)</b>		<b>(11.78)</b>	<b>-</b>
<b>Total comprehensive income net of tax for the year (A + B)</b>		<b>(76,138.31)</b>	<b>(63,278.42)</b>

**Attributable to shareholders**

**Earnings per equity share**

Basic ( ` )	32	(2.27)	(2.31)
Diluted ( ` )	32	(2.27)	(2.31)

**Notes forming part of financial statement**

**1- 55**

As per our report of even date

**For Jogin Raval & Associates**

**Chartered Accountants**

ICAI's firm Registration Number: 128586W

For and on behalf of the Board of Directors of

**For Purple Finance Limited**

(CIN: U67120MH1993PLC075037)

**CA Jogin Raval**

Proprietor

Membership No.: 122197

Place : Mumbai

**Amitabh Chaturvedi**

Executive Chairman

(DIN: 00057441)

**Rajeev Deoras**

Director

(DIN: 02879519)

Date : 20th April, 2024

UDIN: 24122197BKAOP19872

**Sonal Vira**

Chief Financial Officer

**Sabyasachi Rath**

Chief Executive Officer

**Ruchi Nishar**

(Membership No. A68260)

Company Secretary



Purple Finance Limited

Cash Flow Statement for the year ended 31st March 2024

(Rs in '000)

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>A Cash flows from operating activities:</b>		
Net profit before taxation	(132,581.66)	(62,265.30)
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	11,768.64	6,689.71
Interest on income tax refund	(43.46)	-
Share based payment to employees	4,167.80	2,503.79
Unwinding of interest on security deposit	(228.52)	(126.61)
Net gain on fair value changes	(8,690.59)	(5,415.49)
Interest on lease liability	1,885.26	1,231.53
Impairment of loans	481.17	(35.93)
Impairment on investment	-	8,198.25
<b>Operating profit before working capital changes</b>	<b>(123,241.37)</b>	<b>(49,220.05)</b>
<b>Movement in working capital</b>		
Decrease/(increase) in loans given	(174,971.01)	(1,794.08)
Decrease/(increase) in investment	75,418.82	48,230.74
Decrease/(increase) in receivables	554.31	7,068.13
Decrease/(increase) in tax asset	452.21	(260.60)
Decrease/(increase) in other financial assets	(881.24)	(2,193.53)
Decrease/(increase) in other non financial assets	(1,343.11)	(3,641.02)
Increase/(decrease) in payables	(284.63)	26.69
Increase/(decrease) in other financial liabilities	(380,985.80)	(3,388.00)
Increase/(decrease) in other non financial liabilities	1,335.04	(188.51)
Increase/(decrease) in other provision	1,855.37	921.38
<b>Cash used in operations</b>	<b>(478,850.04)</b>	<b>44,781.20</b>
Direct taxes paid (net of refunds)	-	50.45
<b>Net cash flows from/(used in) operating activities (A)</b>	<b>(602,091.41)</b>	<b>(4,388.40)</b>
<b>B Cash flows from investing activities:</b>		
Purchase of property, plant and equipment and intangible assets	(14,280.20)	(39,916.86)
Interest on income tax refund	43.46	-
Goodwill acquired on merger	-	-
Net cash acquired on merger	-	738.76
<b>Net cash flows from/(used in) investing activities (B)</b>	<b>(14,236.73)</b>	<b>(39,178.10)</b>
<b>C Cash flows from financing activities:</b>		
Issue of debt securities	50,000.00	-
Proceeds from borrowings	168,318.01	(997.77)
Addition of lease liabilities	1,974.61	17,036.78
Proceeds from issue of shares (including premium)	382,301.41	73,525.02
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>602,594.03</b>	<b>89,564.03</b>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>[A+B+C]</b>	<b>(13,734.11)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		
Cash and bank balances	46,386.76	389.23
<b>Cash and cash equivalents at the end of the year</b>		
Cash and bank balances	32,652.65	46,386.76

**79.**

**Purple Finance Limited**  
**Cash Flow Statement for the year ended 31<sup>st</sup> March 2024**

**Notes:**

- 1 Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2023, as amended
- 2 Cash and cash equivalents represent cash and bank balances.
- 3 Previous year figures have been regrouped/reclassified wherever applicable.

**Notes forming part of financial statement**

**1- 55**

As per our report of even date  
**For Jogin Raval & Associates**  
**Chartered Accountants**  
ICAI's firm Registration Number: 128586W

For and on behalf of the Board of Directors of  
**For Purple Finance Limited**  
(CIN: U67120MH1993PLC075037)

**CA Jogin Raval**  
Proprietor  
Membership No.: 122197  
Place : Mumbai

**Amitabh Chaturvedi**  
Executive Chairman  
(DIN: 00057441)

**Rajeev Deoras**  
Director  
(DIN: 02879519)

Date : 20th April, 2024  
UDIN: 24122197BKAOP19872

**Sonal Vira**  
Chief Financial Officer

**Sabyasachi Rath**  
Chief Executive Officer

**Ruchi Nishar**  
(Membership No. A68260)  
Company Secretary



**Purple Finance Limited**  
**Statement of changes in equity for the year ended 31st March 2024**

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023		As at 1 <sup>st</sup> April, 2022 (Opening)			
	No. of shares	₹ in '000)	No. of shares	₹ in '000)	No. of shares	₹ in '000)		
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	23,021,953	230,219.53	20,538,619	205,386.19	20,538,619	205,386.19		
Add: Shares issued during the year	10,593,001	105,930.01	2,483,334	24,833.34	-	-		
<b>Issued, subscribed and fully paid up equity shares outstanding at the end of the year</b>	<b>33,614,954</b>	<b>336,149.54</b>	<b>23,021,953</b>	<b>230,219.53</b>	<b>20,538,619</b>	<b>205,386.19</b>		
<b>B. Other equity</b>								
	<b>Defined Benefit Plan - Other Comprehensive Income</b>	<b>Securities Premium account</b>	<b>Capital reserves</b>	<b>Reserve u/s 45-1C of Reserve Bank of India Act, 1934</b>	<b>Employee stock option outstanding account</b>	<b>Retained earnings</b>	<b>Amalgamation Adjustment Account</b>	<b>Total</b>
<b>Balance at April 1, 2022</b>	-	-	12,302.03	4,978.20	-	(61,386.38)	-	(44,106.15)
<b>Add: Incl AS Adjustments</b>						(1,065.66)	-	(1,065.66)
Profit for the year (a)	-	-	-	-	-	(63,278.42)	-	(63,278.42)
Actuarial gain on defined benefit plan (gratuity) net of tax (b)	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year (a+b)</b>	-	-	<b>12,302.03</b>	<b>4,978.20</b>	-	<b>(125,730.46)</b>	-	<b>(108,450.23)</b>
Issue of equity shares	-	50,116.68	-	-	-	-	-	50,116.68
Share issue expenses	-	(1,425.00)	-	-	-	-	-	(1,425.00)
Employee stock option (net)	-	-	-	-	2,503.79	-	-	2,503.79
Transfer to general reserve	-	-	-	-	-	(570.00)	-	(570.00)
Amalgamation adjustments	-	-	-	3,525.90	-	-	(3,525.90)	-
Transfer from retained earnings	-	-	-	570.00	-	-	-	570.00
Dividend paid	-	-	-	-	-	-	-	-
<b>Balance at Mar 31, 2023</b>	-	<b>48,691.68</b>	<b>12,302.03</b>	<b>9,074.09</b>	<b>2,503.79</b>	<b>(126,300.46)</b>	<b>(3,525.90)</b>	<b>(57,254.76)</b>
<b>Balance at Apr 1, 2023</b>	-	48,691.68	12,302.03	9,074.09	2,503.79	(126,300.46)	(3,525.90)	(57,254.76)
<b>Add: Incl AS Adjustments</b>								
Profit for the year (a)	(11.78)	-	-	-	-	(76,126.54)	-	(76,126.54)
Actuarial gain on defined benefit plan (gratuity) net of tax (b)	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year (a+b)</b>	<b>(11.78)</b>	-	-	-	-	<b>(76,126.54)</b>	-	<b>(87,911.78)</b>
Issue of equity shares	-	276,371.40	-	-	-	-	-	276,371.40
Share issue expenses	-	-	-	-	-	-	-	-
Employee stock option (net)	-	-	-	-	4,167.80	-	-	4,167.80
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Amalgamation adjustments	-	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2024</b>	<b>(11.78)</b>	<b>325,063.08</b>	<b>12,302.03</b>	<b>9,074.09</b>	<b>6,671.59</b>	<b>(202,426.99)</b>	<b>(3,525.90)</b>	<b>147,146.12</b>

Purple Finance Limited  
Notes forming the parts of financial statements

(Rs in '000)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
<b>Note - 2: Cash And Cash Equivalents:</b>			
Cash on hand	278.93	395.96	10.01
<b>Balances with banks</b>			
Balance in current accounts	(7,774.37)	5,809.64	379.21
Cheque drafts on hand	(29,871.98)		
Other bank balances:			
- In fixed deposits*	70,000.00	40,000.00	-
<b>Others</b>			
Interest accrued but not due on fixed deposits with banks	20.07	181.16	-
	<b>32,652.65</b>	<b>46,386.76</b>	<b>389.23</b>
* Fixed deposit with more than 12 months maturity is Rs. Nil, Previous Year Rs. Nil			
<b>Note - 3: Receivables</b>			
<b>Other receivables</b>			
Considered good (Refer note 41)	69.54	623.85	7,691.98
	<b>69.54</b>	<b>623.85</b>	<b>7,691.98</b>
<b>Note - 6: Other Financial Assets</b>			
<b>Security Deposits</b>			
Unsecured, considered good	3,848.83	2,394.74	74.60
	<b>3,848.83</b>	<b>2,394.74</b>	<b>74.60</b>
<b>Note - 7: Current Tax Assets (Net)</b>			
<b>Others</b>			
Income taxes paid (net of provisions of tax)	548.10	1,000.31	1,075.94
	<b>548.10</b>	<b>1,000.31</b>	<b>1,075.94</b>
<b>Note - 8: Deferred Tax Assets (Net)</b>			
Deferred tax assets	55,842.68	-	619.69
	<b>55,842.68</b>	<b>-</b>	<b>619.69</b>
<b>Note - 10: Other Non Financial Assets</b>			
Prepaid expenses	2,452.52	1,385.46	118.49
Advance to staff	30.44	124.56	33.00
Capital advances	14,850.00	14,850.00	-
Other non financial assets	-	6.00	53.74
	17,332.95	16,366.02	205.23
Goods and service tax credit (input) receivable	4,229.06	2,958.15	462.79
Less: ITC payables	(909.86)	(15.12)	
	3,319.19	2,943.03	462.79
	<b>20,652.15</b>	<b>19,309.04</b>	<b>668.02</b>



**Purple Finance Limited**  
**Notes forming the parts of financial statements**

(Rs in '000)

Particulars	As at 31st March	As at 31st March	As at 1st April
	2024	2023	2022
<b>Note - 11: Payables</b>			
<b>(I) Trade payables (refer note 42 for ageing analysis)</b>			
outstanding dues of micro enterprises and small enterprises (refer note 35)	299.73	9.00	-
outstanding dues of creditors other than micro enterprises and small enterprises	2,115.94	4,821.54	404.96
	<b>2,415.67</b>	<b>4,830.54</b>	<b>404.96</b>
<b>(II) Other payables</b>			
outstanding dues of micro enterprises and small enterprises	-	-	-
outstanding dues of creditors other than micro enterprises and small enterprises	2,459.91	329.68	-
	<b>2,459.91</b>	<b>329.68</b>	-

**Note - 12: Debt Securities**

**At amortized cost (in India)**

**Unsecured**

- Redeemable Non-Convertible Debentures (Privately placed) (500 debentures of Rs. 1,00,000 each)	50,000.00	-	-
	<b>50,000.00</b>	-	-

The tenure of the debentures is 66 months, with a coupon rate of 12%(fixed) per annum.

The company has not defaulted in the repayment of dues to its lenders.

**Details of Debentures - Contractual principal repayment value**

No of debentures	Face value	Balance as at 31st March 2024	Balance as at 31st March 2024	Due date of redemption	Rate of interest
500	100,000.00	50,000.00	-	May-29	12%

**Note - 13: Borrowings (other than debt securities)**

**At amortized cost (In India)**

**Secured loans**

- Vehicle loan from others*	1,886.47	2,964.37	3,962.14
- Term loan from other than related parties#	69,302.93	-	-
- Interest payable on above loans	53.26	-	-

**Unsecured loans**

- Term loan from bank	100,000.00	-	-
- Interest payable on above loan	39.73	-	-
	<b>171,282.38</b>	<b>2,964.37</b>	<b>3,962.14</b>

\* Secured by way of equitable mortgage of BMW 5 Series 530i Sport.

# Secured by way charge on a pari passu basis over the receivables arising from Loan portfolios ("Hypothecated Assets").

Purple Finance Limited  
Notes forming the parts of financial statements

Terms of repayment

As at 31st March 2024

(Rs in '000)

Particulars	Tenure from date of balance sheet	Rate of interest	Repayments details	Amount
Vehicle loan from others(secured)	12-24 months	7.75%	19 monthly instalments	1,886.47
Term loan from others (Secured)	12-24 months	13.50%	12 to 24 monthly instalments	69,302.93
Term loan from banks (Unsecured)	84 months	14.50%	Moratorium of 6 years followed by 12 monthly instalments	100,000.00
<b>Total</b>				<b>171,189.40</b>

As at 31st March 2023

Particulars	Tenure from date of balance sheet	Rate of interest	Repayments details	Amount
Vehicle loan from others(secured)	31 months	7.75%	31 monthly instalments	2,964.37
<b>Total</b>				<b>2,964.37</b>

As at 1st April 2022

Particulars	Tenure from date of balance sheet	Rate of interest	Repayments details	Amount
Vehicle loan from others(secured)	43 months	7.75%	43 monthly instalments	3,962.14
<b>Total</b>				<b>3,962.14</b>

**Note - 14: Lease Liabilities**

Lease liabilities (Refer note 40)

	22,128.18	18,268.31	-
<b>Total</b>	<b>22,128.18</b>	<b>18,268.31</b>	<b>-</b>

**Note - 15: Other financial liabilities**

Liability for expenses  
Consideration payable for merger

	1,363.12	47.52	3,478.19
	-	382,301.41	-
<b>Total</b>	<b>1,363.12</b>	<b>382,348.92</b>	<b>3,478.19</b>

**Note - 16: Provision**

**Provision for employee benefits**

Statutory bonus  
Gratuity (refer note 37)

	81.22	-	-
	2,711.27	921.38	-
<b>Total</b>	<b>2,792.48</b>	<b>921.38</b>	<b>-</b>

**Note - 17: Deferred Tax Liabilities (Net)**

Deferred tax Liability

	-	616.40	-
<b>Total</b>	<b>-</b>	<b>616.40</b>	<b>-</b>

**Note - 18: Other Non Financial Liabilities**

Statutory dues  
Others - salary payable

	2,879.58	1,671.11	1,654.85
	126.57	-	-
<b>Total</b>	<b>3,006.15</b>	<b>1,671.11</b>	<b>1,654.85</b>



**Purple Finance Limited**  
**Notes forming the parts of financial statements**

(Rs in '000)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Note - 22: Fees and commission income</b>		
Fees income relating to loans	5,404.72	472.46
	<b>5,404.72</b>	<b>472.46</b>
<b>Note - 23: Sale of services</b>		
Sale of services		
(a) Marketing fees	240.00	40.00
(b) Advisory fees	650.00	2,300.00
	<b>890.00</b>	<b>2,340.00</b>
<b>Note - 24: Dividend income</b>		
Dividend from companies	194.67	694.43
	<b>194.67</b>	<b>694.43</b>
<b>Note - 25: Net Gain on fair value changes</b>		
(A) Net gain / (loss) on financial instruments at fair value through profit & loss		
(i) On trading portfolio	-	-
(ii) On financial instruments designated at fair value through profit & loss	-	-
(B) Others		
(i) Net gain/(loss) on financial instrument at fair value through profit and loss on investments	-	-
	8,690.59	9,120.70
<b>Total Net gain / (loss) on financial instruments at fair value through profit &amp; loss</b>	<b>8,690.59</b>	<b>9,120.70</b>
<b>Fair value changes</b>		
- Realised	8,690.59	2,222.03
- Unrealised	-	6,898.68
<b>Total Net gain/(loss) on fair value</b>	<b>8,690.59</b>	<b>9,120.70</b>
<b>Note - 26: Other income</b>		
Gain on derecognition of lease	154.63	-
Interest on income tax refund	43.46	55.10
	<b>198.09</b>	<b>55.10</b>
<b>Note - 28: Employee benefit expenses</b>		
Salaries, other allowance and bonus	107,333.52	46,076.66
Contribution to ESIC	86.04	-
Contribution to provident fund	2,618.57	483.24
Provision for gratuity (refer note 37)	1,774.15	921.38
Share based payment to employees	4,167.80	2,503.79
Staff welfare expenses	550.76	252.35
	<b>116,530.84</b>	<b>50,237.41</b>

**Purple Finance Limited**  
**Notes forming the parts of financial statements**

(Rs in '000)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Note - 29: Impairment on financial instruments</b>		
<b>On financial liabilities measured at amortised cost</b>		
Loans	481.17	(35.93)
Investments	-	8,198.25
	<b>481.17</b>	<b>8,162.32</b>
<b>Note - 30: Depreciation, amortized &amp; impairment</b>		
Depreciation on property, plant and equipment	4,290.88	2,714.39
Depreciation on right of use assets (ROU)	7,477.76	3,975.32
	<b>11,768.64</b>	<b>6,689.71</b>
<b>Note - 31: Other expenses</b>		
Advertisement expenses	774.06	53.03
Payment to auditors (refer note - 34)	515.90	237.00
Bank charges	42.74	3.36
Business promotion	499.85	380.76
Branding expenses	-	229.60
Brokerage & commission	1,137.96	333.14
Computer software expenses	3,698.54	1,974.59
Conveyance expenses	1,375.95	423.73
Electricity expenses	655.24	318.51
Housekeeping expenses	290.02	197.76
Internet expenses	384.72	179.55
Listing charges	1,026.81	1,015.88
Legal & professional fees	12,723.81	6,103.39
Motor car expenses	4,885.64	2,891.77
Membership & subscription	916.20	312.27
Office expenses	1,113.53	180.52
Printing, stationery and xerox	466.70	233.83
Rates & taxes	2,734.50	3,000.51
Property rent payments	-	177.00
Rent on office premises	110.00	-
Rent on plant & machinery	400.63	69.48
Repair - plant and machinery	61.93	531.11
Investment transaction expenses	847.15	960.31
Telephone expenses	293.13	154.16
Travelling expenses	1,522.18	522.53
Filing fees	46.89	7.10
Miscellaneous expenses	1,288.31	787.92
	<b>37,812.39</b>	<b>21,278.81</b>



Purple Finance Limited  
Notes forming the parts of financial statements

Note - 4: Loans

(Rs in '000)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
<b>Loans (at amortised cost)</b>			
<b>(A)</b>			
Term loans	303,149.22	127,908.42	36,705.41
Term loans - to related parties	2,540.79	2,810.59	32,146.96
<b>Total (A) - Gross</b>	<b>305,690.02</b>	<b>130,719.01</b>	<b>68,852.37</b>
Less : Impairment loss allowance	840.52	359.35	207.28
<b>Total (A) - Net</b>	<b>304,849.50</b>	<b>130,359.66</b>	<b>68,645.09</b>
<b>(B)</b>			
Secured by tangible assets	300,014.36	127,908.42	-
Unsecured	5,675.66	2,810.59	68,852.37
<b>Total (B) - Gross</b>	<b>305,690.02</b>	<b>130,719.01</b>	<b>68,852.37</b>
Less : Impairment loss allowance	840.52	359.35	207.28
<b>Total (B) - Net</b>	<b>304,849.50</b>	<b>130,359.66</b>	<b>68,645.09</b>
<b>(C)</b>			
<b>Loans outside India</b>			
- Public Sector	-	-	-
- Others	-	-	-
<b>Loans in India</b>			
- Public Sector	-	-	-
- Others	305,690.02	130,719.01	68,852.37
<b>Total (C) - Gross</b>	<b>305,690.02</b>	<b>130,719.01</b>	<b>68,852.37</b>
Less : Impairment loss allowance	840.52	359.35	207.28
<b>Total (C) - Net</b>	<b>304,849.50</b>	<b>130,359.66</b>	<b>68,645.09</b>

All loans are in India and have been granted to individuals or entities other than public sector. There are no loans measured at FVOCI or FVTPL or designated at FVTPL.

Loans are secured against the tangible assets.

Analysis of changes in gross carrying amount

Particulars	Stage 1	Stage 2	Stage 3	Total
<b>Opening as on 01/04/2022</b>	68,852.37	-	-	68,852.37
New asset originated / Increase in existing asset (net)	60,644.99	-	-	60,644.99
Portfolio addition on account of business addition (net)	64,763.43	-	500.00	65,263.43
Transfer between stages	-	-	-	-
Exposure derecognised or repaid or matured	(64,041.78)	-	-	(64,041.78)
Write off	-	-	-	-
<b>Closing balance as on 31/03/2023</b>	<b>130,219.01</b>	<b>-</b>	<b>500.00</b>	<b>130,719.01</b>
<b>Opening balance as on 01/04/2023</b>	130,219.01	-	500.00	130,719.01
New asset originated / Increase in existing asset (net)	270,971.86	-	-	270,971.86
Transfer between stages	(1,500.26)	-	1,500.26	-
Exposure derecognised or repaid or matured	(96,000.85)	-	-	(96,000.85)
Write off	-	-	-	-
<b>Closing balance as on 31/03/2024</b>	<b>303,689.76</b>	<b>-</b>	<b>2,000.26</b>	<b>305,690.02</b>

Purple Finance Limited  
Notes forming the parts of financial statements

Reconciliation of ECL balance

Particulars	Stage 1	Stage 2	Stage 3	Total
<b>Opening as on 01/04/2022</b>	207.28	-	-	207.28
New asset originated / Increase in existing asset (net)	326.94	-	1.38	328.31
Transfer between stages	-	-	-	-
Exposure derecognised or repaid or matured	(176.25)	-	-	(176.25)
<b>Closing balance as on 31/03/2023</b>	<b>357.97</b>	-	<b>1.38</b>	<b>359.35</b>
<b>Opening balance as on 01/04/2023</b>	357.97	-	1.38	359.35
New asset originated / Increase in existing asset (net)	745.17	-	-	745.17
Transfer between stages	(4.13)	-	4.13	-
Exposure derecognised or repaid or matured	(264.00)	-	-	(264.00)
<b>Closing balance as on 31/03/2024</b>	<b>835.02</b>	-	<b>5.50</b>	<b>840.52</b>

Overdue greater than 90 days

Particulars	Overdue amount		
	Principal	Interest	Total
<b>As on 31st March 2024</b>			
2 Loans	500.00	234.45	734.45



## Purple Finance Limited

Notes forming the parts of financial statements

## Note - 5: Investments

(Rs in '000)

Particulars	As at 31st March 2024				As at 31st March 2023				As at 1st April 2022			
	Amortized cost 1	At Fair Value		Total (4 = 1+2+3)	Amortized cost 5	At Fair Value		Total (8 = 5+6+7)	Amortized cost 9	At Fair Value		Total (12 = 9+10+11)
		Through Other Comprehensive Income 2	Through Profit & Loss 3			Through Other Comprehensive Income 6	Through Profit & Loss 7			Through Other Comprehensive Income 10	Through Profit & Loss 11	
1) Mutual funds	-	-	-	-	-	-	31,541.25	31,541.25	-	-	11,591.13	11,591.13
2) Government securities	-	-	-	-	-	-	-	-	-	-	-	-
3) Others approved securities	-	-	-	-	-	-	-	-	-	-	-	-
4) Debt securities	-	-	-	-	-	-	47,779.62	47,779.62	-	-	65,697.08	65,697.08
5) Equity instruments	-	-	8,943.54	8,943.54	-	-	-	-	-	-	-	-
6) Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
7) Associates	-	-	-	-	-	-	-	-	-	-	-	-
8) Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-
9) Others	-	-	-	-	-	4,549.14	4,549.14	-	-	5,601.42	5,601.42	-
<b>Total Gross (A)</b>	-	-	<b>8,943.54</b>	<b>8,943.54</b>	-	<b>83,870.02</b>	<b>83,870.02</b>	-	-	<b>82,889.63</b>	<b>82,889.63</b>	-
(i) Investment outside India	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investment in India	-	-	8,943.54	8,943.54	-	83,870.02	83,870.02	-	-	82,889.63	82,889.63	-
<b>Total Gross (B)</b>	-	-	<b>8,943.54</b>	<b>8,943.54</b>	-	<b>83,870.02</b>	<b>83,870.02</b>	-	-	<b>82,889.63</b>	<b>82,889.63</b>	-
Less: Allowance for Impairment loss (C)	-	-	-	-	-	8,198.25	8,198.25	-	-	-	-	-
<b>Total Net (D = A - C)</b>	-	-	<b>8,943.54</b>	<b>8,943.54</b>	-	<b>75,671.77</b>	<b>75,671.77</b>	-	-	<b>82,889.63</b>	<b>82,889.63</b>	-

## Purple Finance Limited

Notes forming the parts of financial statements

## Note - 9 (A): Property, Plant and Equipments

(Rs in '000)

Particulars	Laptops	Furniture and Fixtures	Vehicles	Office Equipments	Buildings		Total
					Right of use assets		
<b>Gross carrying amount as at 1st April 2022</b>	198.88	943.52	12,322.81	730.14	-	-	14,195.35
Additions	1,621.52	479.27	-	784.80	21,853.65	-	24,739.24
Disposals	-	-	-	-	-	-	-
<b>Gross carrying amount as at 31st March 2023</b>	<b>1,820.41</b>	<b>1,422.79</b>	<b>12,322.81</b>	<b>1,514.94</b>	<b>21,853.65</b>	<b>-</b>	<b>38,934.59</b>
Effect of business combination (refer note 46)	36.00	-	-	-	-	-	36.00
<b>Restated gross carrying amount as at 31st March 2023</b>	<b>1,856.41</b>	<b>1,422.79</b>	<b>12,322.81</b>	<b>1,514.94</b>	<b>21,853.65</b>	<b>-</b>	<b>38,970.59</b>
Additions	3,163.03	219.00	-	414.89	11,953.95	-	15,750.87
Disposals	-	-	-	-	2,118.90	-	2,118.90
<b>Gross carrying amount as at 31st March 2024</b>	<b>5,019.44</b>	<b>1,641.79</b>	<b>12,322.81</b>	<b>1,929.82</b>	<b>31,688.70</b>	<b>-</b>	<b>52,602.56</b>
<b>Accumulated depreciation and impairment (if any)</b>							
<b>Balance as at 1st April 2022</b>	<b>193.36</b>	<b>554.04</b>	<b>5,297.46</b>	<b>490.15</b>	<b>-</b>	<b>-</b>	<b>6,535.00</b>
Depreciation for the year	292.56	248.42	1,302.28	167.88	3,975.32	-	5,986.46
Depreciation on disposal	-	-	-	-	-	-	-
<b>Balance as at 31st March 2023</b>	<b>485.92</b>	<b>802.46</b>	<b>6,599.74</b>	<b>658.03</b>	<b>3,975.32</b>	<b>-</b>	<b>12,521.46</b>
Effect of business combination (refer note 46)	17.91	-	-	-	-	-	17.91
<b>Restated gross carrying amount as at 31st March 2023</b>	<b>503.83</b>	<b>802.46</b>	<b>6,599.74</b>	<b>658.03</b>	<b>3,975.32</b>	<b>-</b>	<b>12,539.38</b>
Depreciation for the year	1,110.47	137.22	1,305.85	261.71	7,477.76	-	10,293.01
Depreciation on disposal	-	-	-	-	750.47	-	750.47
<b>Balance as at 31st March 2024</b>	<b>1,614.30</b>	<b>939.69</b>	<b>7,905.59</b>	<b>919.74</b>	<b>10,702.60</b>	<b>-</b>	<b>22,081.91</b>
<b>Net carrying amount</b>							
<b>As at 1st April 2022</b>	<b>5.53</b>	<b>389.48</b>	<b>7,025.35</b>	<b>239.99</b>	<b>-</b>	<b>-</b>	<b>7,660.35</b>
<b>As at 31st March 2023</b>	<b>1,352.58</b>	<b>620.32</b>	<b>5,723.07</b>	<b>856.91</b>	<b>17,878.34</b>	<b>-</b>	<b>26,431.22</b>
<b>As at 31st March 2024</b>	<b>3,405.14</b>	<b>702.10</b>	<b>4,417.22</b>	<b>1,010.08</b>	<b>20,986.10</b>	<b>-</b>	<b>30,520.64</b>



## Purple Finance Limited

## Notes forming the parts of financial statements

## Note - 9 (B): Intangible Assets

Particulars	Goodwill	Other Intangible assets		Total
		Software	License fees	
<b>Gross carrying amount as at 1st April 2022</b>	-	-	-	-
Additions	-	638.82	14,538.80	15,177.62
Disposals	-	-	-	-
<b>Gross carrying amount as at 31st March 2023</b>	-	<b>638.82</b>	<b>14,538.80</b>	<b>15,177.62</b>
Effect of business combination (refer note no. 46)	268,258.08	-	-	268,258.08
<b>Restated gross carrying amount as at 31st March 2023</b>	<b>268,258.08</b>	<b>638.82</b>	<b>14,538.80</b>	<b>283,435.69</b>
Additions	-	92.23	-	92.23
Disposals	-	-	538.80	538.80
<b>Gross carrying amount as at 31st March 2024</b>	<b>268,258.08</b>	<b>731.05</b>	<b>14,000.00</b>	<b>282,989.12</b>
<b>Accumulated amortization and impairment (if any)</b>				
<b>Balance as at 1st April 2022</b>	-	-	-	-
Depreciation for the year	-	56.10	641.47	697.57
Depreciation on disposal	-	-	-	-
<b>Balance as at 31st March 2023</b>	-	<b>56.10</b>	<b>641.47</b>	<b>697.57</b>
Effect of business combination (refer note no. 46)	-	-	-	-
<b>Restated gross carrying amount as at 31st March 2023</b>	-	<b>56.10</b>	<b>641.47</b>	<b>697.57</b>
Depreciation for the year	-	102.05	1,440.65	1,542.70
Depreciation on disposal	-	-	67.08	67.08
<b>Balance as at 31st March 2024</b>	-	<b>158.15</b>	<b>2,015.04</b>	<b>2,173.19</b>
<b>Net Carrying amount</b>				
<b>As at 1st April 2022</b>	-	-	-	-
<b>As at 31st March 2023</b>	<b>268,258.08</b>	<b>582.72</b>	<b>13,897.33</b>	<b>282,738.13</b>
<b>As at 31st March 2024</b>	<b>268,258.08</b>	<b>572.89</b>	<b>11,984.96</b>	<b>280,815.93</b>

**Purple Finance Limited**

**Notes forming the parts of financial statements**

**Note 19: Share capital**

(Rs in '000)

Particulars	As at 31st	As at 31st	As at 1st April
	March 2024	March 2023	2022

(a) **Authorised**  
5,06,00,000 (P.Y. 3,56,00,000) equity shares of Rs. 10/- each with voting rights

506,000,000	356,000,000	356,000,000
<b>506,000,000</b>	<b>356,000,000</b>	<b>356,000,000</b>

(b) **Issued**

3,36,14,954 (P.Y. 2,30,21,953) equity shares of Rs. 10/- each fully paid up with voting rights

(Out of the above, 1,05,93,001 shares of face value Rs. 10 have been issued for consideration other than cash during the year)

336,149,54	230,219,53	205,386,19
<b>336,149,54</b>	<b>230,219,53</b>	<b>205,386,19</b>

(c) **Subscribed and fully paid up**

3,36,14,954 (P.Y. 2,30,21,953) equity shares of Rs. 10/- each fully paid up with voting rights

(Out of the above, 1,05,93,001 shares of face value Rs. 10/- have been issued for consideration other than cash during the year)

336,149,54	230,219,53	205,386,19
<b>336,149,54</b>	<b>230,219,53</b>	<b>205,386,19</b>

**Notes:**

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars	Opening balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes	Closing balance
Equity shares with voting rights								
Year ended 31 March, 2024								
- Number of shares	23,021,953	10,593,001	-	-	-	-	-	33,614,954
- Amount (₹) (in'000s)	230,219.53	105,930.01	-	-	-	-	-	336,149.54
Year ended 31 March, 2023								
- Number of shares	20,538,619	2,483,334	-	-	-	-	-	23,021,953
- Amount (₹) (in'000s)	205,386.19	24,833.34	-	-	-	-	-	230,219.53

(ii) The company has only one class of shares i.e. equity, having par value of Rs. 10/- per share. Each holder of share is entitled to one vote per share.

(iii) Fresh equity shares of face value of Rs. 10/- each fully paid-up have been issued and allotted on 17<sup>th</sup> March, 2024 on account of merger by absorption. Refer note 44 to the financial statements.



## Purple Finance Limited

## Notes forming the parts of financial statements

## Note 19: Share capital

(w) The company has an approved scheme of merger from NCLT with effect of the approval the company has issued additional 1,05,93,001 shares to the shareholders of Canopy Finance Ltd ("CFL"), and hence the company's authorized share capital has increased on account of merger. The increased limit has not been approved by the ROC on the date of balance sheet.

## (v) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights						
Amitabh Chaturvedi	6,566,174	19.53%	6,621,174	28.76%	6,621,174	32.24%
Ranjana Pathak	4,172,362	12.41%	4,943,984	21.48%	5,981,984	29.13%
Asher Foods Private Limited	3,548,570	10.56%	3,548,570	15.41%	3,881,904	18.90%
Saguna Meeraantile Private Limited	1,731,495	5.15%	-	0.00%	-	0.00%
Satyaprakash Pathak	-	0.00%	1,736,933	7.54%	1,736,933	8.46%

## (vi) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company refer note 47.

## (vii) Aggregate number of equity shares issued for consideration other than cash during five years immediately preceding the reporting date:

Particulars	As at 31st	As at 31st
	March 2024	March 2023
<b>Equity shares allotted for consideration other than cash</b>		
Financial Year 2023-24	10,593,001	-
Financial Year 2022-23	-	-
Financial Year 2021-22	-	-
Financial Year 2020-21	-	-
Financial Year 2019-20	-	-
	<b>10,593,001</b>	<b>-</b>

**Purple Finance Limited**  
Notes forming the parts of financial statements

**Note 19: Share capital**

**(vii) Details of share holding of promoters and promoter group**

Name of promoters	Category	31st March 2024		31st March 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
Arutiabh Chaturvedi	Promoter	6,566,174	19.53%	6,621,174	28.76%	-9.23%
Minal Chaturvedi	Promoter	733,334	2.18%	733,334	3.19%	-1.00%
Abhishek Chaturvedi	Promoter	245,333	0.73%	245,333	1.07%	-0.34%
Asher Foods Pvt. Ltd.	Promoter	3,548,570	10.56%	3,548,570	15.41%	-4.86%
Ranjana Pathak	Promoter Group	4,172,362	12.41%	4,943,984	21.48%	-9.06%
Satyaprakash Pathak	Promoter Group	1,146,735	3.41%	1,736,933	7.54%	-4.13%
Anil Kumar	Promoter Group	862,000	2.56%	32,000	0.14%	2.43%
M.K. Investment Consultancy Pvt.Ltd	Promoter Group	32,053	0.10%	32,053	0.14%	-0.04%
Ashray Charitable Trust	Promoter Group	761,904	2.27%	761,904	3.31%	-1.04%
Rajeev Deoras	Promoter Group	400,000	1.19%	400,000	1.74%	-0.55%
Sabyasachi Rathi	Promoter Group	300,000	0.89%	300,000	1.30%	-0.41%
Sonal Vira	Promoter Group	300,000	0.89%	300,000	1.30%	-0.41%
Sourvik Dasgupta	Promoter Group	150,000	0.45%	150,000	0.65%	-0.21%
Minalini Sahai	Promoter Group	50,000	0.15%	50,000	0.22%	-0.07%
Tomorrow Capital Enterprises Pvt.Ltd	Promoter Group	333,333	0.99%	333,333	1.45%	-0.46%
Surendra Sodhi	Promoter Group	575,016	1.71%	333,350	1.45%	0.26%
Debashish Mishra	Promoter Group	633,333	1.88%	333,333	1.45%	0.44%
Sunil Mittal	Promoter Group	250,000	0.74%	250,000	1.09%	-0.34%
Dilip Kumar Mittal	Promoter Group	250,000	0.74%	250,000	1.09%	-0.34%
Rushabh Shah	Promoter Group	83,340	0.25%	83,340	0.36%	-0.11%
Swati Malapatra	Promoter Group	71,000	0.21%	50,000	0.22%	-0.01%
Ashis Mohanty	Promoter Group	333,294	0.99%	33,294	0.14%	0.85%
Vengayapalan Swaminathan	Promoter Group	75,000	0.22%	75,000	0.33%	-0.10%
Raoul Kapoor	Promoter Group	75,000	0.22%	75,000	0.33%	-0.10%
Ajit Kumar and Sangeeta Sharma	Promoter Group	175,000	0.52%	-	-	0.52%
Shouryendu Ray	Promoter Group	76,000	0.23%	-	-	0.23%
Mamas Ray	Promoter Group	76,000	0.23%	-	-	0.23%
Jaiprakash Pandey	Promoter Group	15,000	0.04%	-	-	0.04%
Neeha Shah and Dharmesh Shah	Promoter Group	15,000	0.04%	-	-	0.04%
Dharmesh Shah and Neeta Shah	Promoter Group	15,000	0.04%	-	-	0.04%



**Purple Finance Limited**  
Notes forming the parts of financial statements

**Note 19: Share capital**

**(vii) Details of shareholding of promoters and promoter group (contd.)**

Name of promoters	Category	31st March 2024		31st March 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
Erny Mody	Promoter Group	50,000	0.15%	-	-	0.15%
Amol Shah and Susha Shah	Promoter Group	25,000	0.07%	-	-	0.07%
Neema Popat and Dhruval Popat	Promoter Group	22,000	0.07%	-	-	0.07%
Ashish Popat and Bhavini Popat	Promoter Group	22,000	0.07%	-	-	0.07%
Ramawar Sharma	Promoter Group	20,000	0.06%	-	-	0.06%
Saroj Shukla	Promoter Group	5,000	0.01%	-	-	0.01%
Vishali Wadhakar	Promoter Group	45,820	0.14%	-	-	0.14%
Saguna Mercantile Private Limited (Canopy Promoter)	Promoter	1,731,495	5.15%	-	-	5.15%
Zen Enterprises Pvt Ltd	Promoter Group	-	0.00%	350,000	1.52%	-1.52%

**Note 20: Other Equity**

Particulars	As at 31st	As at 31st	As at 1st April
	March 2024	March 2023	2022
<b>D) Reserve u/s 45 IC of RBI Act 1934</b>			
<b>Opening balance</b>	9,074.09	4,978.20	4,978.20
Add : Transfer from retained earnings	-	570.00	-
Add : Amalgamation adjustment account	-	3,525.90	-
<b>Closing balance</b>	<b>9,074.09</b>	<b>9,074.09</b>	<b>4,978.20</b>
<b>2) Securities premium</b>			
<b>Opening balance</b>	48,691.68	-	-
Add : Premium on shares issued during the year	276,371.40	50,116.68	-
Less : Share issue expenses	-	(1,425.00)	-
<b>Closing balance</b>	<b>325,063.08</b>	<b>48,691.68</b>	-
<b>3) Capital reserve</b>			
<b>Opening balance</b>	12,302.03	12,302.03	12,302.03
Add : Transfer from retained earnings	-	-	-
<b>Closing balance</b>	<b>12,302.03</b>	<b>12,302.03</b>	<b>12,302.03</b>

Purple Finance Limited

Notes forming the parts of financial statements

Note 20: Other Equity (contd.)

Particulars			33,614.95
<b>4) Employee stock option outstanding account</b>			
<b>Opening balance</b>	2,503.79	-	-
Add : Expense on Employee Stock Option Plan	4,167.80	2,503.79	-
<b>Closing balance</b>	<b>6,671.59</b>	<b>2,503.79</b>	-
<b>5) Defined Benefit Plan - Other Comprehensive Income</b>			
<b>Opening balance</b>	-		
Add : Movement in OCI (Net) during the year	(11.78)		
<b>Closing balance</b>	<b>(11.78)</b>	-	-
<b>6) Amalgamation Adjustment Account</b>			
<b>Opening balance</b>	(3,525.90)	-	-
Statutory reserve of transferee company reinstated	-	(3,525.90)	-
<b>Closing balance</b>	<b>(3,525.90)</b>	<b>(3,525.90)</b>	-
<b>7) Retained earnings</b>			
<b>Opening balance</b>	(126,300.46)	(62,452.04)	(61,386.38)
Add : Profit/(loss) for current year	(76,126.54)	(63,278.42)	-
Add : Ind AS adjustment	-	-	(1,065.66)
Less : Transfer to statutory reserve	-	(570.00)	-
Add : Amalgamation adjustment account	-	-	-
<b>Closing balance</b>	<b>(202,426.99)</b>	<b>(126,300.46)</b>	<b>(62,452.04)</b>
<b>Grand total</b>	<b>147,146.12</b>	<b>(57,254.76)</b>	<b>(45,171.81)</b>
<b>Nature and purpose of reserve</b>			
<b>D) Reserve u/s 451C of Reserve Bank India Act, 1934</b>			

Statutory reserve represents the reserve created as per Section 451C of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit annually as disclosed in the Statement of Profit and Loss account, before any dividend is declared.



**Purple Finance Limited****Notes forming the parts of financial statements****Note 20: Other Equity (contd.)****Nature and purpose of reserve**

- 2) Securities premium**  
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- 3) Retained earnings**  
Retained earnings comprises of the Company's undistributed earnings after taxes.
- 4) Employee stock option reserve**  
This reserve relates to stock options granted by the Company to employees under various ESOP schemes. This reserve is transferred to securities premium account on exercise of vested options.
- 5) Defined Benefit Plan - Other Comprehensive Income**  
This represents the cumulative gains and losses arising on the remeasurement of defined benefit plans in accordance with Ind AS 19 that have been recognized in other comprehensive income.
- 6) Amalgamation Adjustment Reserve:**  
Upon amalgamation of Canopy Finance Ltd (transferor company) with Purple Finance Ltd (Transferee company), the statutory reserves (i.e reserve under Section 45IC of the Reserve Bank of India Act, 1934) of Rs 3,525.90 thousands of the transferor company as on 1st October, 2022 (i.e appointed date) were recorded in the books of the transferee company with a corresponding debit to Amalgamation Adjustment Account. When the identity of the statutory reserves is no longer required to be maintained, both the statutory reserves and the aforesaid account will be reversed.

**Purple Finance Limited**  
Notes forming the parts of financial statements

**Note - 21: Interest income**

(Rs in '000)

Particulars	As at 31st March 2024			As at 31st March 2023			
	at FV/TOCI	at Amortized cost	at FV/TPPL	at FV/TOCI	at Amortized cost	at FV/TPPL	Total
Interest on loans	-	28,395.33	-	-	10,204.80	-	10,204.80
Interest income from investments	-	-	-	-	-	102.71	102.71
Interest on deposit in banks	-	-	420.47	-	-	2,486.50	2,486.50
Other interest income	-	-	228.52	-	-	131.01	131.01
<b>Total</b>	-	<b>28,395.33</b>	<b>648.98</b>	-	<b>10,204.80</b>	<b>2,720.22</b>	<b>12,925.03</b>

**Note - 27: Finance cost**

Particulars	As at 31st March 2024			As at 31st March 2023		
	at Amortized cost	at FV/TPPL	Total	at Amortized cost	at FV/TPPL	Total
Interest on borrowings	5,418.47	-	5,418.47	273.25	-	273.25
Interest on debt securities	3,057.54	-	3,057.54	-	-	-
Interest on lease liabilities	1,885.26	-	1,885.26	1,231.53	-	1,231.53
Other interest expense	-	49.73	49.73	-	-	-
<b>Total</b>	<b>10,361.26</b>	<b>49.73</b>	<b>10,411.00</b>	<b>1,504.78</b>	-	<b>1,504.78</b>



Purple Finance Limited  
Notes forming the parts of financial statements

Note - 32: Earnings per share

(Rs in '000)

Particulars	As at 31st March 2024	As at 31st March 2023
Profit after tax attributable to equity shareholders (A)	(76,138.31)	(63,278.42)
Weighted average number of equity shares (basic)	33,614,954	27,401,796
Weighted average number of equity shares (diluted)	33,614,954	27,401,796
Earnings per share - basic ( ₹)	(2.27)	(2.31)
Earnings per share - diluted ( ₹)	(2.27)	(2.31)
Face value per share ( ₹)	10.00	10.00

Note:

Earnings per share calculations are done in accordance with Ind AS 33 "Earnings per Share".

During the year on account of merger of Canopy Finance Ltd with the company, new equity shares of face value of Rs. 10/- each fully paid-up have been issued and allotted to the eligible shareholders of CFL on 17th March, 2024 as per the share exchange ratio contained in the Scheme being 1:1. These shares have been considered for calculation of EPS w.e.f 1st October, 2022 (being the appointed date of the merger) as per Ind AS 33.

Note - 33: Tax expense

i) Income tax expenses recognised in the statement of Profit & Loss are:

Particulars	As at 31st March 2024	As at 31st March 2023
Current income tax	-	246.84
Deferred tax	(56,455.12)	816.73
Tax of earlier year	-	(50.45)
<b>Total income tax expenses recognised in the current year</b>	<b>(56,455.12)</b>	<b>1,013.12</b>

ii) Income tax recognised in other comprehensive income

Particulars	As at 31st March 2024	As at 31st March 2023
Item that will not be reclassified to Profit or Loss	(3.96)	-
Item that will be reclassified to Profit or Loss	-	-
<b>Total income tax expenses recognised in the current year</b>	<b>(3.96)</b>	<b>-</b>

iii) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Accounting profit/loss before tax from continuing operations	(132,581.66)	(62,265.30)
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	(33,368.15)	(15,670.93)
Adjustment in respect of current income tax of prior years	-	(50.45)
<b>Effects of:</b>		
Expenses /provisions not deductible in determining taxable profit	87.48	-
Deferred tax impact of earlier years	(23,174.45)	-
Other adjustments	-	16,734.50
<b>Income tax expense reported in statement of profit and loss</b>	<b>(56,455.12)</b>	<b>1,013.12</b>

**Purple Finance Limited**  
**Notes forming the parts of financial statements**

**iv) Movement in Deferred Tax balances:**

Particulars	As at 31st March 2023	Recognised in profit and loss	Recognised in OCI	As at 31st March 2024
<b>Deferred Tax Asset / (Liabilities)</b>				
Property, Plant and Equipment	(148.69)	(353.91)	-	(502.60)
Provisions for standard assets	90.44	121.10	-	211.54
Non allowable expenditure	27.22	(27.22)	-	-
Provision for gratuity	231.89	450.48	(3.96)	678.41
Fair value of financial assets & liabilities	(1,075.30)	2,285.96	-	1,210.66
Lease assets & liabilities	258.03	254.60	-	512.63
Brought forward business loss & Depreciation	-	53,732.03	-	53,732.03
	<b>(616.40)</b>	<b>56,463.04</b>	<b>(3.96)</b>	<b>55,842.68</b>

Particulars	As at 1st April 2022	Recognised in profit and loss	Recognised in OCI	As at 31st March 2023
<b>Deferred Tax Asset / (Liabilities)</b>				
Property, Plant and Equipment	397.38	(546.06)	-	(148.69)
Provisions for standard assets	47.65	42.79	-	90.44
Non allowable expenditure	-	27.22	-	27.22
Provision for gratuity	-	231.89	-	231.89
Fair value of financial assets & liabilities	174.66	(1,249.96)	-	(1,075.30)
Lease assets & liabilities	-	258.03	-	258.03
	<b>619.69</b>	<b>(1,236.09)</b>	-	<b>(616.40)</b>

**Note - 34: Auditors' Remuneration**

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory Audit	400.00	175.00
Limited Review	110.00	-
Tax Audit	-	-
Other Services	650.00	63.00

**Note - 35: Micro, Small & Medium Enterprises**

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

Particulars	As at 31st March 2024	As at 31st March 2023
Principal amount due to suppliers under MSMED Act, as at the year end	299.73	9.00
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-



Note - 36: Revenue from contract with customer

Particulars	As at 31st March 2024	As at 31st March 2023
<b>(A) Type of services</b>		
Fees and commission income	5,404.72	472.46
Marketing and advisory services	890.00	2,340.00
Total Revenue from contract with customer	<b>6,294.72</b>	<b>2,812.46</b>
<b>(B) Geographical market</b>		
In India	6,294.72	2,812.46
Outside India	-	-
Total Revenue from contract with customer	<b>6,294.72</b>	<b>2,812.46</b>
<b>(C) Timing of revenue recognition</b>		
Services transferred at a point in time	6,294.72	2,812.46
Services transferred over time	-	-
Total Revenue from contract with customer	<b>6,294.72</b>	<b>2,812.46</b>

**Purple Finance Limited**

**Notes forming the parts of financial statements**

(Rs in '000)

**Note - 37: Retirement Benefit**

**(A) Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised contribution to Provident Fund and Employee State Insurance Scheme in the Statement of Profit and Loss:

Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund	2,618.57	483.24
Employer's Contribution to Employee State Insurance Corp.	86.04	-
Employer's Contribution to Labour Welfare Fund	-	-

**(B) Defined benefit plan**

**a) Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days of basic salary (last drawn salary) for each completed year of service. This benefit is unfunded. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans :

**(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:**

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Defined Benefit Obligation at the beginning of the year</b>	921.38	-
Current service cost	1,705.69	841.88
Past service cost	-	79.49
Interest cost	68.46	-
Benefits paid	-	-
Remeasurement Losses/(Gains)	71.25	-
a. Effect of changes in financial assumptions	(55.51)	-
b. Effect of experience adjustments/demographic adjustments	2,711.27	921.38
<b>Defined Benefit Obligation at the end of the year</b>	<b>2,711.27</b>	<b>921.38</b>

**(ii) Current and non current classification**

Particulars	As at 31st March 2024	As at 31st March 2023
Current	444.74	176.35
Non - current	2,266.53	745.03
<b>Liability at the end of the current/previous year</b>	<b>2,711.27</b>	<b>921.38</b>



**Purple Finance Limited**  
Notes forming the parts of financial statements

(Rs in '000)

103.

(iii) Statement of Profit and Loss

Expenses recognised in statement of profit and loss	As at 31st March 2024	As at 31st March 2023
Current service cost	1,705.69	841.88
Past service cost	-	79.49
Net interest expenses	68.46	-
<b>Net cost recognized in the statement of Profit and Loss</b>	<b>1,774.15</b>	<b>921.38</b>

(iv) Remeasurement of the net defined benefit Liability (OCD)

Expenses recognised in other comprehensive income	As at 31st March 2024	As at 31st March 2023
(a) Effect of changes in financial assumptions	71.25	-
(b) Effect of experience adjustments/demographic adjustments	(55.51)	-
<b>Net cost recognized in Other Comprehensive Income</b>	<b>15.74</b>	<b>-</b>

(v) Assumptions

Particulars	As at 31st March 2024	As at 31st March 2023
Discount Rate	7.12%	7.43%
Future salary increase	5.00%	5.00%
Attrition Rate	2% to 10%	1%
Retirement Age	60 Years	60 Years
Mortality	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate
Weighted average duration of defined benefit	12.97	14.22

(vi) Maturity analysis of projected benefit obligation

Particulars	As at 31st March 2024	As at 31st March 2023
Within the next 12 months (next annual reporting period)	444.74	176.35
Between 2 and 5 years	328.61	119.60
Between 5 and 10 years	2,096.75	248.95
<b>Total Expected Cash flows</b>	<b>2,870.11</b>	<b>544.90</b>

**Purple Finance Limited****Notes forming the parts of financial statements****(Rs in '000)****(v) Sensitivity Analysis:**

Particulars	As at 31st March 2024		As at 31st March 2023	
	Increase	Decrease	Increase	Decrease
Discount Rate (+/- 1%)	219.40	(252.14)	77.13	(89.34)
Salary Growth Rate (+/- 1%)	(271.20)	239.49	(96.77)	84.78
Attrition Rate (+/- 1% of attrition rates)	43.63	(41.64)	14.85	(13.87)

Methods and assumptions used in preparing sensitivity and their limitations: The liability was projected by changing certain assumptions and the total liability post the change in such assumptions have been captured in the table above. This sensitivities are based on change in one single assumption, other assumptions being constant. In practice, scenario may involve change in several assumptions where the stressed defined benefit obligation may be significantly impacted.

The company does not have any leave encashment policy.

**Note - 38: Segment Information**

The company is primarily engaged in the business of financing. All the activities of the company revolve around the main business. Further, the company does not have any separate geographic segments other than India.



**Note - 39: Related Party Disclosures**

In terms of Indian Accounting Standard (Ind AS 24) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules, 2014, the disclosures of transactions with the related parties as defined in IND AS 24 are given below:

<b>Description of relationship</b>	<b>Names of related parties</b>
<b>Promoters / Promoter Group / Director &amp; Key management personnel (KMP) of the Company:</b>	Mr. Amitabh Chaturvedi, Director
	Mr. Rajeev Deoras, Director
	Mrs. Minal Chaturvedi, Director
	Mr. Ajay Kumar Pandey, Director (Appointed on 28.06.2023)
	Ms. Sumeet Sandhu, Director (Appointed on 28.06.2023)
	Mr. Amit Sonawala, Director (Appointed on 29.02.2024)
	Mr. Satyaprakash Pathak, Director (Resigned on 29.02.2024)
	Mr. Sunil Jomraj, Director (Resigned on 28.06.2023)
	Mr. Suresh Salian
	Mr. Aniesh Kumar K
	Ms. Priyanka Agarwal
	Ms. Prity Vishwakarma
	Mr. Varun Nevatia
	Ms. Manisha Agarwal
	Mr. Lalit Kumar Tapadia
	Ms. Anita Kejriwal
	Mr. Souvik DasGupta
	Ms. Mrinalini Sahai
	Mr. Anil Kumar
	Ms. Devanshi Shah
Mrs. Vrishali Wadhivkar	
Mrs. Saroj Shukla	
Mr. Sabyasachi Rath, Chief Executive Officer	
Mrs. Sonal Vira, Chief Financial Officer	
Ms. Ruchi Nishar, Company Secretary	

Description of relationship	Names of related parties
<b>Relatives of Promoters / Promoter Group / Director &amp; KMP:</b>	Mr. Anurag Chaturvedi Mr. Abhishek Chaturvedi Mrs. Ranjana Pathak Mrs. Kshetik Anil Kumar Mr. Sanjeev Kumar Mrs. Kajal Sanjeev Kumar Mr. Yashish Ramakant Wadhavkar Mr. Ramesh Kumar Shukla

**Entities in which Promoters / Promoter Group / Director & KMP and their relatives can exercise significant influence:**

Abhidev Consultancy Services Pvt Ltd  
Jigsaw Financial Technology Pvt. Ltd.  
Dealmoney Commodities Pvt. Ltd.  
Flomic Global Logistics Ltd.  
Asher Foods Pvt. Ltd.

\*The related parties have been identified by the management

**Details of related party transactions during the year ended 31 March 2024 and balances outstanding as at 31 March 2024:**

Particulars	Promoters / Promoter Group / Director & (KMP)		Relatives of Promoters / Promoter Group / Director & (KMP)		Entities in which Promoters / Promoter Group / Director & KMP and their relatives can exercise significant influence		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
<b>Transactions during the year</b>								
<b>Reimbursements of expenses</b>								
Mr. Amitabh Chaturvedi	1,160.51	816.98	-	-	-	-	1,160.51	816.98
Mr. Rajeev Deoras	437.21	338.92	-	-	-	-	437.21	338.92
Mrs. Minal Chaturvedi	-	138.63	-	-	-	-	-	138.63
Mr. Sabyasachi Rath	871.15	768.50	-	-	-	-	871.15	768.50
Mrs. Sonal Vira	541.20	239.42	-	-	-	-	541.20	239.42
Ms. Ruchi Nishar	20.08	3.14	-	-	-	-	20.08	3.14
Mr. Souvik DasGupta	669.92	373.86	-	-	-	-	669.92	373.86
Ms. Minnani Sahai	365.93	92.12	-	-	-	-	365.93	92.12
Mr. Yashish Ramakant Wadhavkar	-	-	123.00	172.71	-	-	123.00	172.71
Mr. Ramesh Kumar Shukla	-	-	23.01	6.90	-	-	23.01	6.90



Details of related party transactions during the year ended 31 March, 2024 and balances outstanding as at 31 March, 2024:

Parties	Promoters / Promoter Group / Director & (KMPP)		Relatives of Promoters / Promoter Group / Director & (KMPP)		Entities in which Promoters / Promoter Group & their relatives can exercise significant influence		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
<b>Director sitting fees paid</b>								
Mrs. Manal Chaturvedi	150,000	40,000	-	-	-	-	150,000	40,000
Mr. Satyapalakash Pathak	130,000	50,000	-	-	-	-	130,000	50,000
Mr. Ajay Kumar Pandey	200,000	-	-	-	-	-	200,000	-
Mrs. Sumet Sandhu	200,000	-	-	-	-	-	200,000	-
Mr. Anil Sonawala	50,000	-	-	-	-	-	50,000	-
Mr. Suresh Salian	50,000	50,000	-	-	-	-	50,000	50,000
Mr. Animesh Kumar K	105,000	120,000	-	-	-	-	105,000	120,000
Mrs. Mansha Agarwal	-	20,000	-	-	-	-	-	20,000
<b>Consultancy fees paid</b>								
Mr. Abhishek Chaturvedi	-	-	-	244,444	-	-	-	244,444
Mr. Ajay Kumar Pandey	75,000	-	-	-	-	-	75,000	-
<b>Loan taken repaid</b>								
Abhilekh Consultancy Services Pvt Ltd	-	-	-	-	-	5,120.00	-	5,120.00
Asher Foods Pvt. Ltd.	-	-	-	-	-	9,121.79	-	9,121.79
Mr. Anurag Chaturvedi	-	-	553,14	553,14	-	-	553,14	553,14
Floomic Global Logistics Ltd.	-	-	-	-	-	22,258.53	-	22,258.53
<b>Advance paid</b>								
Abhilekh Consultancy Services Pvt Ltd	-	-	-	-	-	75,000	-	75,000
<b>Advance returned</b>								
Abhilekh Consultancy Services Pvt Ltd	-	-	-	-	-	75,000	-	75,000
Asher Foods Pvt. Ltd.	-	-	-	-	-	9,125.33	-	9,125.33
<b>Interest income received</b>								
Mr. Anurag Chaturvedi	-	-	283,35	338,55	-	-	283,35	338,55
Floomic Global Logistics Ltd.	-	-	-	-	-	2,485.48	-	2,485.48

## Details of related party transactions during the year ended 31 March, 2024 and balances outstanding as at 31 March, 2024:

Particulars	Promoters / Promoter Group / Director & (KMPP)		Relatives of Promoters / Promoter Group / Director & (KMPP)		Entities in which Promoters / Promoter Group / Director & KMPP and their relatives can exercise significant influence		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
<b>ICD rollover charges</b> Plomac Global Logistics Ltd.	-	-	-	-	-	20,000	-	20,000
<b>Remuneration</b>								
Mr. Anirudh Chaturvedi	15,325.18	10,227.23	-	-	-	-	15,325.18	10,227.23
Mr. Rajeev Deoras	8,580.00	5,404.00	-	-	-	-	8,580.00	5,404.00
Mrs. Manal Chaturvedi	-	761.37	-	-	-	-	-	761.37
Mr. Sabyasachi Rath	7,298.40	3,652.46	-	-	-	-	7,298.40	3,652.46
Mrs. Sonal Vira	4,098.41	1,532.43	-	-	-	-	4,098.41	1,532.43
Mrs. Devanshi Shah	-	20,03	-	-	-	-	-	20,03
Mrs. Ruohi Mishra	674.23	261.83	-	-	-	-	674.23	261.83
Mr. Sonvek DasGupta	5,418.41	2,947.40	-	-	-	-	5,418.41	2,947.40
Mrs. Minahini Salari	1,118.40	764.07	-	-	-	-	1,118.40	764.07
Mr. Yash Ramakant Wadhwar	-	-	578.40	757.54	-	-	578.40	757.54
Mr. Ramesh Kumar Shukla	-	-	1,327.80	784.18	-	-	1,327.80	784.18
Mrs. Priyanka Agarwal	-	162.00	-	-	-	-	-	162.00
Mrs. Priya Vishwakarama	122.00	1467	-	-	-	-	122.00	1467
Mr. Varun Newatia	550.00	600.00	-	-	-	-	550.00	600.00
Mr. Lalit Kumar Tapadia	550.00	-	-	-	-	-	550.00	-
Mrs. Anita Kejriwal	261.87	-	-	-	-	-	261.87	-
<b>Bonus</b>								
Mr. Yash Ramakant Wadhwar	-	-	200.00	-	-	-	200.00	-
Mr. Ramesh Kumar Shukla	-	-	200.00	-	-	-	200.00	-
<b>Interest Paid on Non Convertible Debenture</b>								
Mrs. Kshetik Anil Kumar	-	-	618.08	-	-	-	618.08	-
Mr. Sanjeev Kumar	-	-	1,255.89	-	-	-	1,255.89	-
Mrs. Kajal Sanjeev Kumar	-	-	1,183.56	-	-	-	1,183.56	-



Detail of related party transactions during the year ended 31 March, 2024 and balances outstanding as at 31 March, 2024:

Particulars	Promoters / Promoter Group / Director & (KMP)		Relatives of Promoters / Promoter Group / Director & (KMP)		Entities in which Promoters / Promoter Group / Director & KMP and their relatives can exercise significant influence		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
<b>Outstanding balances as at year end</b>								
<b>Reimbursements payable</b>								
Mr. Rajeev Deoras	0.47	0.47	-	-	-	-	0.47	0.47
Mr. Sabyasachi Rath	16.88	1.53	-	-	-	-	16.88	1.53
Mrs. Sonal Vira	-	1.00	-	-	-	-	-	1.00
Ms. Ruchi Nishar	1.67	1.00	-	-	-	-	1.67	1.00
Mr. Souvik DasGupta	0.50	2.50	-	-	-	-	0.50	2.50
Ms. Minnahini Sahai	0.57	-	-	-	-	-	0.57	-
Mr. Yash Ranmakanth Wadhikar	-	-	-	1.09	-	-	-	1.09
Mr. Ramesh Kumar Shukla	-	-	2.22	1.18	-	-	2.22	1.18
<b>Director sitting fees payable</b>								
Mr. Suresh Salian	9.00	-	-	-	-	-	9.00	-
Mr. Animesh Kumar K	9.00	-	-	-	-	-	9.00	-
<b>Non Convertible Debenture</b>								
Mrs. Mehek Anil Kumar	-	-	10,000.00	-	-	-	10,000.00	-
Mr. Sanjeev Kumar	-	-	20,000.00	-	-	-	20,000.00	-
Mrs. Kajal Sanjeev Kumar	-	-	20,000.00	-	-	-	20,000.00	-
<b>Loans given</b>								
Mr. Anurag Chaturvedi	-	-	2,540.79	2,810.59	-	-	2,540.79	2,810.59

Purple Finance Limited  
Notes forming the parts of financial statements

Note - 40: Leases

(Rs in '000)

The Company's lease asset primarily consist of leases for buildings for branch offices having the various lease terms. The non-cancellable operating lease agreements are ranging for a period 11 to 60 months. There are no restrictions imposed by lease arrangements.

(i) Right of use assets

The Balance sheet shows the following amounts relating to leases

Right-of-use assets

Particulars	Building
<b>Gross Block</b>	
As at April 01, 2021	-
Additions	-
As at March 31, 2022	-
As at April 01, 2022	-
Additions	21,853.65
Disposals	-
As at March 31, 2023	<b>21,853.65</b>
As at April 01, 2023	21,853.65
Additions	11,953.95
Disposals	2,118.90
As at March 31, 2024	<b>31,688.70</b>

Accumulated depreciation and impairment

Particulars	Building
As at March 31, 2021	-
Charge for the year	-
As at March 31, 2022	-
As at April 01, 2022	-
Charge for the year	3,975.32
Charge on disposals	-
As at March 31, 2023	<b>3,975.32</b>
As at April 01, 2023	3,975.32
Charge for the year	7,477.76
Disposals	750.47
As at March 31, 2024	<b>10,702.60</b>
Net carrying amount as at April 1, 2022	-
Net carrying amount as at March 31, 2023	<b>17,878.34</b>
Net carrying amount as at March 31, 2024	<b>20,986.10</b>

The Company has not revalued any of its Right-of-use assets during the year ended March 31, 2024 and year ended March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Nil.

(ii) Lease liabilities and the movements during the year:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance as at beginning of current/previous financial year	18,268.31	-	-
Additions during the year	11,609.62	21,091.78	-
Interest on finance lease liabilities	1,885.26	1,231.53	-
Repayment of interest portion of lease liability	(1,885.26)	(1,231.53)	-
Repayment of principal portion of lease liability	(6,277.99)	(2,823.47)	-
Derecognised during the year	(1,471.76)	-	-
Balance as at end of current/previous financial year	<b>22,128.18</b>	<b>18,268.31</b>	-



Purple Finance Limited  
Notes forming the parts of financial statements

(iii) Current and Non Current Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Current Lease Liabilities	8,212.90	4,593.49	-
Non-Current Lease liabilities	13,915.27	13,674.82	-

(iv) Maturity analysis of lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Less than 1 year</b>			
Gross value	9,739.67	5,953.25	-
Less - Unamortised interest	(1,526.77)	(1,359.76)	-
<b>More than one year less than 5 years</b>			
Gross value	14,883.37	15,129.02	-
Less - Unamortised interest	(968.09)	(1,454.20)	-
<b>More than 5 years</b>			
Gross value	-	-	-
Less - Unamortised interest	-	-	-
<b>Total</b>	<b>22,128.18</b>	<b>18,268.31</b>	-

(v) Amounts recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation charge of right-of-use assets	7,477.76	3,975.32
Finance expense on lease liabilities	1,885.26	1,231.53
Expense relating to leases of low-value assets and short-term leases	510.63	69.48
Profit/loss on disposal of lease liability	(154.63)	-
<b>Total amount recognised in statement of profit and loss</b>	<b>9,719.02</b>	<b>5,276.33</b>

(vi) The weighted average incremental borrowing rate applied to lease liabilities is 9%

Note - 41: Other receivables

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Other receivables considered good - secured	-	-	-
Other receivables considered good - unsecured *	69.54	623.85	7,691.98
Other receivables which have significant increase in credit risk	-	-	-
Other receivables - credit impaired	-	-	-
<b>Gross carrying amount</b>	<b>69.54</b>	<b>623.85</b>	<b>7,691.98</b>
Less: Allowances for impairment loss on other receivables	-	-	-
Less: Allowances for impairment loss on other receivables which have significant increase in credit risk	-	-	-
Less: Allowances for impairment loss on credit impaired	-	-	-
<b>Net carrying amount</b>	<b>69.54</b>	<b>623.85</b>	<b>7,691.98</b>

There are no dues from Directors or other officers of the Company or any firm or private company in which any Director is a partner, a Director or a member.

## Purple Finance Limited

Notes forming the parts of financial statements

## Note - 42: Trade payables

## Trade Payables ageing schedule

(C in '000)

Particulars	as at 31st March 2024					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	299.73	-	-	-	299.73
(ii) Others	-	2,030.81	69.14	16.00	-	2,115.94
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	as at 31st March 2023					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	9.00	-	-	-	9.00
(ii) Others	-	4,808.79	13.64	(0.90)	-	4,821.54
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	as at 1st April 2022					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	390.64	14.32	-	-	404.96
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-



**Purple Finance Limited**

**Notes forming the parts of financial statements**

**Note - 43: Maturity analysis of assets and liabilities:**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	as at 31st March 2024			as at 31st March 2023			as at 1st April 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>									
<b>Financial assets</b>									
Cash and cash equivalents	32,652.65	-	32,652.65	46,386.76	-	46,386.76	389.23	-	389.23
Bank balance other than (a) above	-	-	-	-	-	-	-	-	-
Receivables:									
I) Trade Receivables	69.54	-	69.54	623.85	-	623.85	7,691.98	-	7,691.98
II) Other Receivables	26,948.38	277,901.12	304,849.50	95,874.30	34,485.36	130,359.66	22,640.40	46,004.69	68,645.09
Loans	-	8,943.54	8,943.54	62,179.09	13,492.68	75,671.77	60,146.43	22,743.20	82,889.63
Investments	-	3,848.83	3,848.83	-	2,394.74	2,394.74	-	74.60	74.60
Other Financial Assets	-	-	-	-	-	-	-	-	-
<b>Non Financial assets</b>									
Current Tax Assets (Net of provisions)	548.10	-	548.10	1,000.31	-	1,000.31	1,075.94	-	1,075.94
Deferred Tax Assets (Net)	-	55,842.68	55,842.68	-	-	-	619.69	-	619.69
Property, Plant & Equipment	-	30,520.64	30,520.64	-	26,431.22	26,431.22	-	7,660.35	7,660.35
Goodwill	-	268,258.08	268,258.08	-	268,258.08	268,258.08	-	-	-
Other Intangible Assets	-	12,557.85	12,557.85	-	14,480.05	14,480.05	668.02	-	668.02
Other Non Financial Assets	20,652.15	-	20,652.15	4,459.04	14,850.00	19,309.04	-	-	-
<b>Total assets</b>	<b>80,870.82</b>	<b>657,872.74</b>	<b>738,743.56</b>	<b>210,523.36</b>	<b>374,392.12</b>	<b>584,915.48</b>	<b>93,231.69</b>	<b>76,482.84</b>	<b>169,714.53</b>

## Purple Finance Limited

## Notes forming the parts of financial statements

Particulars	as at 31st March 2024			as at 31st March 2023			as at 1st April 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Liabilities</b>									
<b>Financial liabilities</b>									
Financial Liabilities Payables									
i) Trade Payables									
i) total outstanding dues of MSME	299.73	-	299.73	9.00	-	9.00	-	-	-
ii) total outstanding dues of other creditors	2,115.94	-	2,115.94	4,736.40	85.14	4,821.54	305.51	99.46	404.96
ii) Other Payables									
i) total outstanding dues of MSME	-	-	-	-	-	-	-	-	-
ii) total outstanding dues of other creditors	2,459.91	-	2,459.91	329.68	-	329.68	-	-	-
Debt Securities	-	50,000.00	50,000.00	-	-	-	-	-	-
Borrowings	40,308.78	130,973.60	171,282.38	1,077.90	1,886.47	2,964.37	997.77	2,964.37	3,962.14
Lease Liabilities	8,212.90	13,915.27	22,128.18	4,593.49	13,674.82	18,268.31	-	-	-
Other Financial Liabilities	1,363.12	-	1,363.12	382,348.92	-	382,348.92	3,478.19	-	3,478.19
<b>Non Financial liabilities</b>									
Provision	-	2,792.48	2,792.48	-	921.38	921.38	-	-	-
Other Non Financial Liabilities	3,006.15	-	3,006.15	1,671.11	-	1,671.11	-	1,654.85	1,654.85
Current Tax Liabilities (Net)	-	-	-	-	-	-	-	-	-
Deferred Tax Liabilities (Net)	-	-	-	-	616.40	616.40	-	-	-
<b>Total Liabilities</b>	<b>57,766.54</b>	<b>197,681.36</b>	<b>255,447.90</b>	<b>394,766.50</b>	<b>17,184.21</b>	<b>411,950.71</b>	<b>4,781.46</b>	<b>4,718.69</b>	<b>9,500.15</b>
<b>Net</b>	<b>23,104.28</b>	<b>460,191.38</b>	<b>483,295.66</b>	<b>(184,243.15)</b>	<b>357,207.92</b>	<b>172,964.77</b>	<b>88,450.23</b>	<b>71,764.15</b>	<b>160,214.38</b>



Note - 44A: Financial Assets and Financial Liabilities

( in '000)

Category-wise classification for applicable financial assets and financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>(i) Financial assets at fair value through profit and loss</b>			
Investments	8,943.54	75,671.77	82,889.63
	<b>8,943.54</b>	<b>75,671.77</b>	<b>82,889.63</b>
<b>(ii) Financial assets and liabilities (at amortised cost)</b>			
<b>Financial assets</b>			
Cash and Cash Equivalents	32,652.65	46,386.76	389.23
Other Bank balance	-	-	-
Trade Receivables	-	-	-
Other Receivables	69.54	623.85	7,691.98
Loans	304,849.50	130,359.66	68,645.09
Other Financial assets	3,848.83	2,394.74	74.60
<b>Total financial assets</b>	<b>341,420.52</b>	<b>179,765.01</b>	<b>76,800.90</b>
<b>Financial liabilities</b>			
Trade payables	2,415.67	4,830.54	404.96
Other payables	2,459.91	329.68	-
Debt securities	50,000.00	-	-
Borrowings	171,282.38	2,964.37	3,962.14
Lease liabilities	22,128.18	18,268.31	-
Other financial liabilities	1,363.12	382,348.92	3,478.19
<b>Total financial liabilities</b>	<b>249,649.26</b>	<b>408,741.82</b>	<b>7,845.29</b>

Fair value of financial assets and financial liabilities measured at amortised cost:

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>						
Cash and Cash Equivalents	32,652.65	32,652.65	46,386.76	46,386.76	389.23	389.23
Other Bank balance	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-
Other Receivables	69.54	69.54	623.85	623.85	7,691.98	7,691.98
Loans	304,849.50	304,849.50	130,359.66	130,359.66	68,645.09	68,645.09
Other Financial assets	3,848.83	3,848.83	2,394.74	2,394.74	74.60	74.60
<b>Total financial assets</b>	<b>341,420.52</b>	<b>341,420.52</b>	<b>179,765.01</b>	<b>179,765.01</b>	<b>76,800.90</b>	<b>76,800.90</b>
<b>Financial liabilities</b>						
Trade payables	2,415.67	2,415.67	4,830.54	4,830.54	404.96	404.96
Other payables	2,459.91	2,459.91	329.68	329.68	-	-
Debt securities	50,000.00	50,000.00	-	-	-	-
Borrowings	171,282.38	171,282.38	2,964.37	2,964.37	3,962.14	3,962.14
Lease liabilities	22,128.18	22,128.18	18,268.31	18,268.31	-	-
Other financial liabilities	1,363.12	1,363.12	382,348.92	382,348.92	3,478.19	3,478.19
<b>Total financial liabilities</b>	<b>249,649.26</b>	<b>249,649.26</b>	<b>408,741.82</b>	<b>408,741.82</b>	<b>7,845.29</b>	<b>7,845.29</b>

The fair value of cash and cash equivalents, trade receivables, other receivables, loans, other financial assets, trade payables, other payables, other financial liabilities approximate their carrying amount largely due to the short-term nature of these instruments

**Note - 44B: Fair value hierarchy for assets and liabilities**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

**i) Level 1**

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

**i) Level 2**

Other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly.

**i) Level 3**

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amount and fair value measurement hierarchy for financial assets (at fair value) as at 31st March 2024 is as follow:

Particulars	Carrying value	Fair value	Fair value measurement using			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit and loss</b>						
<b>Investments</b>						
- Mutual Funds	-	-	-	-	-	-
- Equity instruments	8,943.54	8,943.54	-	8,943.54	-	8,943.54
- Others	-	-	-	-	-	-
<b>Total</b>	<b>8,943.54</b>	<b>8,943.54</b>	<b>-</b>	<b>8,943.54</b>	<b>-</b>	<b>8,943.54</b>

The carrying amount and fair value measurement hierarchy for financial assets (at fair value) as at 31st March 2023 is as follow:

Particulars	Carrying value	Fair value	Fair value measurement using			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
<b>Financial assets at fair value</b>						
<b>Investments</b>						
- Mutual Funds	31,541.25	31,541.25	31,541.25	-	-	31,541.25
- Equity instruments	39,581.38	39,581.38	30,637.84	8,943.54	-	39,581.38
- Others	4,549.14	4,549.14	-	-	4,549.14	4,549.14
<b>Total</b>	<b>75,671.77</b>	<b>75,671.77</b>	<b>62,179.09</b>	<b>8,943.54</b>	<b>4,549.14</b>	<b>75,671.77</b>



Purple Finance Limited  
Notes forming the parts of financial statements

The carrying amount and fair value measurement hierarchy for financial assets (at fair value) as at 1st April 2022 is as follow:

Particulars	Carrying value	Fair value	Fair value measurement using			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
<b>Financial assets at fair value</b>						
<b>Investments</b>						
- Mutual Funds	11,591.13	11,591.13	11,591.13	-	-	11,591.13
- Equity instruments	65,697.08	65,697.08	48,555.29	17,141.79	-	65,697.08
- Others	5,601.42	5,601.42	-	-	5,601.42	5,601.42
<b>Total</b>	<b>82,889.63</b>	<b>82,889.63</b>	<b>60,146.43</b>	<b>17,141.79</b>	<b>5,601.42</b>	<b>82,889.63</b>

Investments measured using significant observable data under level 2 are based on valuation report obtained from external valuer.

**Purple Finance Limited**  
**Notes forming the parts of financial statements**

**Note - 45: Risk management:**

**(C in '000)**

**1. Risk management framework:**

The Company's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of all its stakeholders and at the same time minimise potential adverse effects on its financial performance. The Company places emphasis on risk management practices to ensure an appropriate balance between risks and returns.

The Company is exposed to credit risk, market risk and liquidity risk. The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

**A Credit risk**

Credit risk is the risk of loss resulting from the failure of a borrower or counter party to honour its financial or contractual obligations. Credit risk arises in the company's direct lending operations, and in its funding and investment activities where counterparties have repayment or other obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets.

The company lays down various monitoring process for Macro Economic factor analysis, industry analysis, portfolio analysis and account level analysis to control delinquencies. The company implements robust portfolio monitoring approach and various tools to have a close monitoring of the portfolio.

**ECL Methodology**

The Company records allowance for expected credit losses for all financial assets other than FVTPL, together with loan commitments. Equity instruments are not subject to impairment.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition. Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

**Stage 1**

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company records allowance based on twelve months ECL.

**Stage 2**

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. The company records allowance for Lifetime ECL.

**Stage 3**

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. The company records allowance for Lifetime ECL.



**Purple Finance Limited**

**Notes forming the parts of financial statements**

**Note - 45: Risk management:**

**( ₹ in '000 )**

**ECL Calculations**

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. ECL consists of three key components:

**Probability of default (PD) :**

The probability of default ("PD") is the likelihood that an obligor will default on its obligations in the future. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**Exposure At Default ("EAD"):**

The amount which the obligor will owe to the Company at the time of default is defined as the exposure at default (EAD). Exposure at default (EAD) is the sum of outstanding principal and the interest amount accrued but not received on each loan as at reporting date.

**Loss Given Default ("LGD"):**

Loss given default estimates the normalised loss which company incurs post customer default. It is computed through recovery observed in delinquent accounts over a period of time. It is based on the difference between contractual cash flows that are due and expected to be received including from the collateral if any.

Since the company's loan portfolio in the past was limited and small, at present the company does not have sufficient internal data for computation of PD for different stages and LGD. Hence, the company has relied on data used by certain other NBFC's and industry data as reference for the calculations. Based on the above data, RBI norms and requirements and internal assessment, the company has at present determined blanket ECL provisioning at 0.275% across all different stages of loans.

**Reconciliation of loss allowance provision - For loans**

Refer note 4 for detailed reconciliation of loan movements and loss allowance provision

In addition to the ECL for loans as prescribed above, the Company also holds other financial assets such as balances with Bank, trade receivables and other financial assets. The Company recognizes ECL on such assets based on the historical loss experience measures (e.g. write off rates / provision rates) adjusted for expected losses in the future keeping in mind the nature of industry and credit ratings of such counter-parties. The amount is currently not expected to have a significant impact and the company will periodically assess the same

**Purple Finance Limited**

**Notes forming the parts of financial statements**

**Note - 45: Risk management :**

**(C in '000)**

**III. Liquidity risk**

Liquidity risk involves the inability of an entity to fund growth in assets, manage unplanned changes in funding sources and to meet obligations when required. Liquidity risk also arises due to the maturity mismatch associated with assets and liabilities. Cost of such liquidity risk would be in terms of either raising fresh liabilities at higher cost or liquidating its assets at a higher discount rate.

The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flow of financial assets and financial liabilities. The Company's policy on liquidity risk is to ensure availability of adequate liquid resources with a view to keep maturity mismatches in the Balance Sheet of the Entity within desired levels. The Company also has lines of credit that it can access to meet liquidity needs.

**Maturity profiles of Financial Liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

<b>As at March 31, 2024</b>	<b>Carrying amount</b>	<b>Upto 3 months</b>	<b>3 to 6 months</b>	<b>6 to 12 months</b>	<b>1 to 3 years</b>	<b>Over 3 years</b>
<b>Financial liabilities</b>						
Trade payables	2,415.67	2,415.67	-	-	-	-
Other payables	2,459.91	2,459.91	-	-	-	-
Borrowings (other than debt securities)	171,282.38	7,087.17	10,688.94	22,532.67	30,973.60	100,000.00
Debt securities	50,000.00	-	-	-	-	50,000.00
Lease liabilities	22,128.18	1,928.32	2,030.62	4,253.96	13,893.95	21.32
Other financial liabilities	1,363.12	1,363.12	-	-	-	-
<b>Total</b>	<b>249,649.26</b>	<b>15,254.19</b>	<b>12,719.55</b>	<b>26,786.64</b>	<b>44,867.55</b>	<b>150,021.32</b>
<b>As at March 31, 2023</b>	<b>Carrying amount</b>	<b>Upto 3 months</b>	<b>3 to 6 months</b>	<b>6 to 12 months</b>	<b>1 to 3 years</b>	<b>Over 3 years</b>
<b>Financial liabilities</b>						
Trade payables	4,830.54	4,745.40	-	-	85.14	-
Other payables	329.68	329.68	-	-	-	-
Borrowings (other than debt securities)	2,964.37	261.72	266.82	549.36	1,886.47	-
Debt securities	-	-	-	-	-	-
Lease liabilities	18,268.31	1,074.55	1,144.21	2,374.73	13,203.98	470.84
Other financial liabilities	382,348.92	382,348.92	-	-	-	-
<b>Total</b>	<b>408,741.82</b>	<b>388,760.27</b>	<b>1,411.03</b>	<b>2,924.09</b>	<b>15,175.59</b>	<b>470.84</b>



**Purple Finance Limited**  
**Notes forming the parts of financial statements**

**Note - 45: Risk management :**

(C in '000)

As at April 1, 2022	Carrying amount	Upto 3 months	3 to 6 months	6 to 12 months	1 to 3 years	Over 3 years
<b>Financial liabilities</b>						
Trade payables	404,96	305,51	-	-	99,46	-
Other payables	-	-	-	-	-	-
Borrowings (other than debt securities)	3,962,14	242,26	246,99	508,52	2,242,38	722,00
Debt securities	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Other financial liabilities	3,478,19	3,478,19	-	-	-	-
<b>Total</b>	<b>7,845,29</b>	<b>4,025,96</b>	<b>246,99</b>	<b>508,52</b>	<b>2,341,83</b>	<b>722,00</b>

**IV. Market risk:**

Market risk is the risk of loss from changes in market prices and rates (including interest rates, credit spreads, equity prices, foreign exchange rates, and property rate risk), the correlations among them, and their levels of volatility. The company is predominantly exposed to only interest rate risk & property rate risk and have almost no impact of foreign exchange and commodity prices directly. The company continuously monitors these risks and manages them through appropriate risk limits.

**Interest rate risk:**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows of financial instruments. The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate liabilities and assets.

**Exposure to Interest Rate Risk**

The exposure of the company's financial instruments to interest rate changes at the end of the reporting period are as follows

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Fixed Interest</b>			
Debt Securities	50,000.00	-	-
Borrowings	71,189.40	2,964.37	3,962.14
Loans advanced	304,849.50	130,359.66	68,645.09
<b>Total (*)</b>	<b>426,038.90</b>	<b>133,324.04</b>	<b>72,607.23</b>
<b>Variable interest</b>			
Debt Securities			
Borrowings	100,000.00	-	-
Loans advanced			
<b>Total (*)</b>	<b>100,000.00</b>	-	-

(\*)Excluding interest accrued and amortisation

Note - 45: Risk management :

(` in '000)

Sensitivity analysis

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Impact on profit before tax for 25bps increase in interest rate	(250.00)	-	-
Impact on profit before tax for 25bps decrease in interest rate	250.00	-	-

Impact on P/L upto 1 year, holding all other variables constant



**Note - 46: Business combination**

The Board of Directors of the Company in its meeting held on 15th November, 2022 had approved a Scheme of Merger by Absorption ("Scheme"), inter alia, involving amalgamation of Canopy Finance Ltd (CFL) with the Company (PFL) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme of Merger by Absorption of CFL by PFL, under Section 230 to 232 of the Companies Act, 2013 was duly sanctioned by Honourable National Company Law Tribunal ("NCLT"), Mumbai Bench vide their Order dated 15th February, 2024, effective from the last of the dates on which the certified copies of the Order(s) of the Adjudicating Body, are filed with the Registrar of Companies being 29th February 2024 and appointed date of the Scheme being 1st October 2022. The company had obtained approvals/no objection to the Scheme from various statutory authorities, as applicable. Pursuant to the Scheme, new equity shares of face value of Rs. 10/- each fully paid-up have been issued and allotted to the eligible shareholders of CFL on 17th March, 2024 as per the share exchange ratio contained in the Scheme being 1:1. As per Ind AS 103, the amalgamation has been accounted under the "acquisition method". The difference between the purchase consideration and fair value has been accounted as goodwill/capital reserve on amalgamation, as applicable.

The figures for the current reporting period as well as previous reporting period includes the effect of merger of transferor Company CFL as discussed above and are therefore not comparable with figures of the respective previous year/ period.

**Summary of the acquisition done**

a) The fair value of assets and liabilities recognised as a result of the acquisition on acquisition date i.e(1/10/2022) are as follows:

Particulars	Amounts
<b>Assets</b>	
Cash and cash equivalents	738.76
Loans given	60,072.56
Other non financial asset	15,000.00
Investments	16,702.44
Deposits with bank	27,093.21
Property, plant and equipment (net)	23.77
<b>Total assets (A)</b>	<b>119,630.73</b>
<b>Liabilities</b>	
Payables	4,728.56
Other financial liabilities	162.10
Current tax asset (net of provisions)	89.39
Loans taken	187.99
Deferred tax	419.36
<b>Total liabilities (B)</b>	<b>5,587.40</b>
<b>Net identifiable assets acquired (A - B)</b>	<b>114,043.33</b>

**b) Calculation of goodwill acquired**

The difference between the purchase consideration and the amount attributable to identified assets and liabilities as identified above represents the residual goodwill in the business. As a result of the merger, the Company receives manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records of existing customers of CFL and vice versa. This will lead to synergic benefits, efficiency of operations and management, rapid growth of the entity, optimum utilization of its resources and optimization of the administrative and operative costs, in value creation for the shareholders and stakeholders of the combined amalgamated company as it will have improved efficiency, market share, financial structure, larger cash flows and stronger consolidated revenue and profitability.

**Note - 46: Business combination**

**Calculation of Goodwill acquired on merger**

<b>Particulars</b>	<b>Amounts</b>
Purchase consideration	382,301.41
Net identifiable assets acquired	(114,043.33)
<b>Goodwill acquired</b>	<b>268,258.08</b>

(\*) Goodwill is not deductible for tax purpose

c) The revenues and profits contributed to the Company for the financial year ended 31st March 2023 (6 months from 1st October 2022, being appointed date till 31st March, 2023) and financial year ended 31st March 2024 are as follows:

<b>Particulars</b>	<b>31st March</b>	
	<b>2024</b>	<b>31st March 2023</b>
Revenue	7,922.46	5,833.81
Profit after tax	1,524.43	2,816.65

**e) Purchase consideration - cash outflow**

<b>Particulars</b>	<b>Amounts</b>
Issue of equity shares	382,301.41



**Purple Finance Limited****Notes forming the parts of financial statements**

(C in 0000)

**Note - 47: Employee Stock Option Plan:**

The Company has formulated Purple Finance Employee Stock Option Schemes, 2022 (ESOP Scheme-2022) as approved by the board of directors at its meeting held on 17th September, 2022. The options allotted under the ESOP Scheme 2022 are vested over a period of four years in the ratio of 25%, 25%, 25% and 25% respectively from the end of 12 months from the date of grant. The stock options are granted at an exercise price of Rs. 33 per share ESOP Scheme 2022. The fair value of the share options was estimated at the grant date using Black Scholes pricing model and, taking into account the terms and conditions upon which the share options were granted.

## Details of grants under the ESOP Scheme 2022

Particulars	ESOP Scheme 2022								
	Grant - I	Grant - II	Grant - III	Grant - IV	Grant - V	Grant - VI	Grant - VII	Grant - VIII	Grant - IX
No. of options granted	2,460,000	25,000	5,000	260,000	30,000	5,000	5,000	20,000	611,000
Date of grant	9/19/2022	3/1/2023	6/1/2023	6/30/2023	8/4/2023	8/9/2023	9/18/2023	10/17/2023	2/29/2024
Exercise price per option	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting year and conditions	Over the period of 5 years as defined above								

## D) Reconciliation of options outstanding as on March 31, 2024

Particulars	ESOP Scheme 2022								
	Grant - I	Grant - II	Grant - III	Grant - IV	Grant - V	Grant - VI	Grant - VII	Grant - VIII	Grant - IX
Options outstanding at April 1, 2023	2,350,000	25,000	-	-	-	-	-	-	-
Granted during the year	-	-	5,000	260,000	30,000	5,000	5,000	20,000	611,000
Forfeited during the year	-	-	-	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-	-	-	-
Expired / lapsed during the year	370,000	5,000	-	-	-	5,000	-	-	-
<b>Outstanding at March 31, 2024</b>	<b>1,980,000</b>	<b>20,000</b>	<b>5,000</b>	<b>260,000</b>	<b>30,000</b>	<b>-</b>	<b>5,000</b>	<b>20,000</b>	<b>611,000</b>
Weighted average remaining contractual life (in years)	1.97	2.42	2.67	2.75	2.85	-	2.97	3.05	3.42

Reconciliation of options as on 31st March, 2023

Particulars	ESOP Scheme 2022								
	Grant - I	Grant - II	Grant - III	Grant - IV	Grant - V	Grant - VI	Grant - VII	Grant - VIII	Grant - IX
Options outstanding at April 1, 2022	-	-	-	-	-	-	-	-	-
Granted during the year	2,460,000	25,000	-	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-	-	-	-
Expired / lapsed during the year	110,000	-	-	-	-	-	-	-	-
<b>Outstanding at March 31, 2023</b>	<b>2,350,000</b>	<b>25,000</b>	-	-	-	-	-	-	-
<b>Exercisable at March 31, 2023</b>	-	-	-	-	-	-	-	-	-
Weighted average remaining contractual life (in years)	2.97	3.42	-	-	-	-	-	-	-

(11) The valuation model used for computing weighted average fair value considering the following inputs:

Particulars	ESOP Scheme 2022								
	Grant - I	Grant - II	Grant - III	Grant - IV	Grant - V	Grant - VI	Grant - VII	Grant - VIII	Grant - IX
Dividend yield (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%
Expected volatility (%)	20.96%	20.94%	20.73%	20.73%	20.72%	20.72%	20.72%	20.72%	20.72%
Risk free interest rate (%)	6.59%	6.68%	6.66%	6.66%	6.67%	6.67%	6.67%	6.67%	6.71%
Spot price ( ₹)	33	33	33	33	33	33	33	33	33
Option fair value ( ₹)	9.96	10.01	9.96	9.96	9.96	9.96	9.96	9.96	9.98
Exercise Price ( ₹)	33	33	33	33	33	33	33	33	33
Expected life of options granted (years)	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Model used	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes	Black scholes

(111) The expense recognised for employee service received during the year is shown in the following table:

Particulars	year ended	
	31st March 24	31st March 23
Share based payment to employees	4,167.80	2,503.79
	<b>4,167.80</b>	<b>2,503.79</b>

**Note - 48: Capital Management**

The Company complies with externally imposed capital requirements from its regulators and maintains healthy capital ratios in order to support its business. Further the company maintains diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.



## Purple Finance Limited

## Notes forming the parts of financial statements

(€ in '000)

## Note - 49: Changes in liabilities arising from financing activities

Particulars	As at 31st	Cash Flows	Change in	Others	As at 31st
	March 2023		Fair values		March 2024
Debt Securities	-	50,000.00	-	-	50,000.00
Borrowings	2,964.37	1,68,318.01	-	-	1,71,282.38
Lease liabilities	18,268.31	1,974.61	-	1,885.26	22,128.18
<b>Total</b>	<b>21,232.68</b>	<b>220,292.62</b>	-	<b>1,885.26</b>	<b>243,410.56</b>
<b>Particulars</b>	<b>As at 31st</b>	<b>Cash Flows</b>	<b>Change in</b>	<b>Others</b>	<b>As at 31st</b>
	<b>March 2022</b>		<b>Fair values</b>		<b>March 2023</b>
Debt Securities	-	-	-	-	-
Borrowings	3,962.14	(997.77)	-	-	2,964.37
Lease liabilities	-	17,036.78	-	1,231.53	18,268.31
<b>Total</b>	<b>3,962.14</b>	<b>16,039.01</b>	-	<b>1,231.53</b>	<b>21,232.68</b>

Note - 50: Additional regulatory information

( in '000)

50.1 Loans or Advances

Type of Borrower	Current year		Previous year	
	Amount outstanding	Percentage to the total	Amount outstanding	Percentage to the total
Promoters	-	0%	-	0%
Directors	-	0%	-	0%
KMPs	-	0%	-	0%
Related parties	2,540.79	0.83%	2,810.59	2.16%

50.2 Title deeds of immovable properties not held in name of the Company

The Company does not own any immovable properties.

50.3 Valuation of Property, Plant and Equipment

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

50.4 Details of Benami property

No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

50.5 Borrowing from banks

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

50.6 Willful defaulter

The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

50.7 Relationship with struck off companies

The company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the previous year.

50.8 Registration of charges or satisfaction with Registrar of Companies

The Company has taken the working capital loan and created the charge on loan portfolios (as "hypothecated assets") which needs to be registered with Registrar of Companies.

50.9 Compliance with number of layers of companies

The Company has not created any layer of investments as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

50.10 Compliance with approved scheme(s) of arrangements

The Board of Directors of the Company in its meeting held on 15th November, 2022 had approved a Scheme of Merger by Absorption ("Scheme"), inter alia, involving amalgamation of Canopy Finance Ltd (CFL) with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") has approved the Scheme of Merger by Absorption ("Scheme"). The effect of such Scheme of Arrangements has been accounted for in the books of account of the Company in accordance with the Scheme and in accordance with accounting standards.



**Note - 50: Additional regulatory information**

( in '000)

**50.11 Utilisation of borrowed funds and share premium**

The Group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Group's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements. Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**50.12 Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**50.13 Corporate Social Responsibility (CSR)**

The company is not covered under section 135 of the Companies Act, 2013

**50.14 Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**Purple Finance Limited**  
**Notes forming the parts of financial statements**

**Note - 51: Analytical Ratios:**

Sr.	Ratios	Numerator	Denominator	Current period	Previous period	% Variances	Reasons for variance
1	Capital to risk-weighted assets ratio (CRAR)	Tier 1 Capital + Tier 2 Capital	Risk-Weighted Assets	98.44%	-43.61%	-	Since, previous year adjusted net worth was negative, comparison of ratio not possible
2	Tier I CRAR	Tier 1 Capital	Risk-Weighted Assets	48.65%	-43.61%	-	Since, previous year adjusted net worth was negative, comparison of ratio not possible
3	Tier II CRAR	Tier 2 Capital	Risk-Weighted Assets	49.78%	0.00%	-	Since, previous year adjusted net worth was negative, comparison of ratio not possible
4	Liquidity Coverage Ratio.	RBI has issued guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, LCR requirement is binding on all non-deposit taking systematically important NBFs with asset size of ₹ 10,000 crore and above w.e.f. December 1, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024, as per the timeline given in the guidelines. Since, Purple Finance Limited does not fall under criteria, the said is not applicable.					



**Note - 52: First Time Adoption of Ind AS**

(` in '000)

**Transition to Ind AS**

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2023 with comparatives being restated. These financial statements for the year ended 31 March, 2024 are the first Ind-AS financial statements that the Company has prepared in accordance with Ind-AS. For periods up to and including the year ended 31st March, 2023 the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). During the year, The company had issued interim financial statement for the period ended 31st December, 2023 under previous GAAP, since the company was in process of implementing IND AS transition.

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. The Company has prepared financial statements which comply with Ind-AS applicable for periods ended on 31 March, 2024 together with the comparative period data as at and for the year ended March 31, 2023, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April, 2022 the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April, 2022 and the financial statements as at and for the year ended March 31, 2023.

**Optional Exemptions**

Further, Ind AS 101- First-time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101

1. The Company has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.
2. The company has elected to apply transitional provisions with respect to Lease. Accordingly, the company has
  - Identified whether a contract contains lease or not on the basis of facts and circumstances existing on the transition date
  - The company has measured a lease liability on the date of transition at the present value of remaining lease payments, discounted using incremental borrowing rate as on transition date. The company has elected to measure right of use asset at an amount equal to lease liability as on date of transition.
  - The company has elected to apply a single discount rate to portfolio of leases with similar characteristic.
  - The company has elected to account for leases for which the lease term ends within 12 months of the date of transition and leases for low value asset as if they were short term lease accounted for in accordance with paragraph 6 of IND AS 116.
  - The company has elected to exclude initial direct cost from the measurement of right of use asset at the date of transition
3. The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

## A. Reconciliation of balance sheet as at 1st April 2022 and 31st March 2023

Particulars	Note no.	as at 1st April 2022		
		Amount (as per Previous GAAP)(*)	Ind AS adjustments (net)	Amount (as per Ind AS)
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash & Cash Equivalents		389.23	-	389.23
Bank balance other than (a) above		-	-	-
Receivables				
I) Trade Receivables		-	-	-
II) Other Receivables		7,691.98	-	7,691.98
Loans	4	68,662.30	(17.21)	68,645.09
Investments	3	84,112.56	(1,222.93)	82,889.63
Other Financial Assets		74.60	-	74.60
<b>Total Financial Assets</b>		<b>160,930.66</b>	<b>(1,240.14)</b>	<b>159,690.52</b>
<b>Non Financial Assets</b>				
Current Tax Assets (Net)		1,075.94	-	1,075.94
Deferred Tax Assets (Net)	6	445.21	174.48	619.69
Property, Plant & Equipment		7,660.35	-	7,660.35
Other Intangible Assets		-	-	-
Other Non Financial Assets		668.02	-	668.02
<b>Total Non Financial Assets</b>		<b>9,849.52</b>	<b>174.48</b>	<b>10,024.00</b>
<b>Total Assets</b>		<b>170,780.19</b>	<b>(1,065.66)</b>	<b>169,714.53</b>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
Payables				
I) Trade Payables		-	-	-
i) total outstanding dues of MSME		-	-	-
ii) total outstanding dues of creditors other than MSME		404.96	-	404.96
II) Other Payables				
i) total outstanding dues of MSME		-	-	-
ii) total outstanding dues of creditors other than MSME		-	-	-
Debt Securities		-	-	-
Borrowings		3,962.14	-	3,962.14
Lease Liabilities		-	-	-
Other Financial Liabilities		3,478.19	-	3,478.19
<b>Total Financial Liabilities</b>		<b>7,845.29</b>	<b>-</b>	<b>7,845.29</b>
<b>Non Financial Liabilities</b>				
Current Tax Liabilities (Net)		-	-	-
Provision		-	-	-
Deferred Tax Liabilities (Net)		-	-	-
Other Non Financial Liabilities		1,654.85	-	1,654.85
<b>Total Non Financial Liabilities</b>		<b>1,654.85</b>	<b>-</b>	<b>1,654.85</b>
<b>Equity</b>				
Equity Share Capital		205,386.19	-	205,386.19
Other Equity		(44,106.15)	(1,065.66)	(45,171.81)
		<b>161,280.04</b>	<b>(1,065.66)</b>	<b>160,214.38</b>
<b>Total Equity &amp; Liabilities</b>		<b>170,780.19</b>	<b>(1,065.66)</b>	<b>169,714.53</b>



Particulars	Note	as at 31st March 2023				
		Amount (as per Previous GAAP)(*)	Ind AS adjustments (net)	Amount (as per Ind AS)	Merger effect	Amount (as per Ind AS) post merger
<b>ASSETS</b>						
<b>Financial Assets</b>						
Cash & Cash Equivalents		45,506.54	-	45,506.54	880.22	46,386.76
Bank balance other than (a) above		-	-	-	-	-
Receivables						
I) Trade Receivables		-	-	-	-	-
II) Other Receivables		623.85	-	623.85	-	623.85
Loans	4	65,942.06	(666.35)	65,275.71	65,083.96	130,359.66
Investments	3	33,588.54	5,398.76	38,987.31	36,684.47	75,671.77
Other Financial Assets	1 & 2	3,030.00	(635.26)	2,394.74	-	2,394.74
<b>Total Financial Assets</b>		<b>148,690.99</b>	<b>4,097.15</b>	<b>152,788.14</b>	<b>102,648.64</b>	<b>255,436.78</b>
<b>Non Financial Assets</b>						
Current Tax Assets (Net)		968.75	-	968.75	31.57	1,000.31
Deferred Tax Assets (Net)	6	151.77	(151.77)	-	-	-
Property, Plant & Equipment	1	8,534.79	17,878.34	26,413.13	18.09	26,431.22
Goodwill		-	-	-	268,258.08	268,258.08
Other Intangible Assets		14,480.05	-	14,480.05	-	14,480.05
Other Non Financial Assets		4,459.04	-	4,459.04	14,850.00	19,309.04
<b>Total Non Financial Assets</b>		<b>28,594.40</b>	<b>17,726.57</b>	<b>46,320.96</b>	<b>283,157.73</b>	<b>329,478.70</b>
<b>Total Assets</b>		<b>177,285.39</b>	<b>21,823.71</b>	<b>199,109.10</b>	<b>385,806.38</b>	<b>584,915.48</b>
<b>LIABILITIES &amp; EQUITY</b>						
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Payables						
I) Trade Payables		-	-	-	-	-
i) total outstanding dues of MSME		9.00	-	9.00	-	9.00
ii) total outstanding dues of creditors other than MSME		4,821.54	-	4,821.54	-	4,821.54
II) Other Payables						
i) total outstanding dues of MSME		-	-	-	-	-
ii) total outstanding dues of creditors other than MSME		329.68	-	329.68	-	329.68
Debt Securities		-	-	-	-	-
Borrowings		2,964.37	-	2,964.37	-	2,964.37
Lease Liabilities	1	-	18,268.31	18,268.31	-	18,268.31
Other Financial Liabilities		30.52	-	30.52	382,318.41	382,348.92
<b>Total Financial Liabilities</b>		<b>8,155.11</b>	<b>18,268.31</b>	<b>26,423.42</b>	<b>382,318.41</b>	<b>408,741.82</b>
<b>Non Financial Liabilities</b>						
Current Tax Liabilities (Net)		-	-	-	-	-
Provision		921.38	-	921.38	-	921.38
Deferred Tax Liabilities (Net)	6	-	149.85	149.85	466.55	616.40
Other Non Financial Liabilities		1,466.34	-	1,466.34	204.77	1,671.11
<b>Total Non Financial Liabilities</b>		<b>2,387.72</b>	<b>149.85</b>	<b>2,537.57</b>	<b>671.32</b>	<b>3,208.89</b>
<b>Equity</b>						
Equity Share Capital		230,219.53	-	230,219.53	-	230,219.53
Other Equity		(62,143.36)	2,071.95	(60,071.42)	2,816.65	(57,254.76)
		<b>168,076.17</b>	<b>2,071.95</b>	<b>170,148.11</b>	<b>2,816.65</b>	<b>172,964.77</b>
<b>Total Equity and Liabilities</b>		<b>178,618.99</b>	<b>20,490.11</b>	<b>199,109.10</b>	<b>385,806.38</b>	<b>584,915.48</b>

## B. Reconciliation of Profit and loss For the year ended 31st March 2023

Particulars	Note no.	as at 31st March 2023		Net Amount (as per Ind AS)	Merger effect	Amount (as per Ind AS) post merger
		Amount (as per Previous GAAP <sup>(*)</sup> )	Ind AS adjustments (net)			
<b>Revenue from operations</b>						
Interest income	1, 2 & 4	10,685.27	157.84	10,843.11	2,081.92	12,925.03
Dividend income		608.38	-	608.38	86.05	694.43
Fees and commission income		972.46	-	972.46		972.46
Net Gain on fair value changes	3	633.18	6,621.69	7,254.87	1,865.84	9,120.70
Sale of services	4	722.00	(682.00)	40.00	1,800.00	1,840.00
<b>Total revenue from operations</b>		<b>13,621.28</b>	<b>6,097.535</b>	<b>19,718.82</b>	<b>5,833.81</b>	<b>25,552.63</b>
Other income		55.10	-	55.10	-	55.10
<b>Total Income</b>		<b>13,676.39</b>	<b>6,097.53</b>	<b>19,773.92</b>	<b>5,833.81</b>	<b>25,607.73</b>
<b>Expenses</b>						
Finance costs	1	273.25	1,231.53	1,504.78	-	1,504.78
Employee benefit expenses		49,766.93	10.03	49,776.95	460.46	50,237.41
Impairment on financial instruments	5	8,172.47	(1.63)	8,170.84	(8.52)	8,162.32
Depreciation, amortization and impairment	1	2,708.71	3,975.32	6,684.03	5.68	6,689.71
Other expenses	1	23,159.70	(4,146.40)	19,013.30	2,265.51	21,278.81
Total expenses		<b>84,081.05</b>	<b>1,068.85</b>	<b>85,149.90</b>	<b>2,723.13</b>	<b>87,873.03</b>
<b>Profit before tax</b>		<b>(70,404.60)</b>	<b>896.15</b>	<b>(65,375.98)</b>	<b>3,110.68</b>	<b>(62,265.30)</b>
<b>Tax expense:</b>						
Current tax		-		-	246.84	246.84
Deferred tax	6	293.44	476.10	769.54	47.19	816.73
Provision for tax related to earlier years		(50.45)	-	(50.45)	-	(50.45)
		<b>242,992</b>	<b>476,103</b>	<b>719,096</b>	<b>294,027</b>	<b>1,013,123</b>
<b>Profit for the year</b>		<b>(70,647.60)</b>	<b>420.04</b>	<b>(66,095.08)</b>	<b>2,816.65</b>	<b>(63,278.42)</b>

\* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note



## Purple Finance Ltd

## Notes forming the parts of financial statements

## C. Effect of Ind As adoption on the statement of cash flows for the year ended March 31, 2023

Particulars	Note no.	as at 31st March 2023				
		Amount (as per Previous GAAP)*)	Ind AS adjustments (net)	Net Amount (as per Ind AS)	Merger effect	Amount (as per Ind AS) post merger
Net cash from/(used in) operating activities	1 to 6	(54,639.69)	50,117.72	(4,521.97)	133.57	(4,388.40)
Net cash from/(used in) investing activities	1	25,812.65	(65,729.50)	(39,916.86)	738.76	(39,178.10)
Net cash from/(used in) Financing activities		73,952.25	15,611.78	89,564.03	-	89,564.03
<b>Net increase/(decrease) in cash and cash equivalent</b>		<b>45,125.21</b>	-	<b>45,125.21</b>	<b>872.33</b>	<b>45,997.54</b>
Cash and cash equivalents at beginning of the year		389.23		389.23		389.23
Cash and cash equivalents at end of the year		<b>45,514.43</b>	-	<b>45,514.43</b>	<b>872.33</b>	<b>46,386.76</b>

**D. Statement of reconciliation of equity and total comprehensive income under Ind AS and equity and income reported under Previous GAAP:**

Particulars	Profit & Loss	Other equity	Other equity
	Year Ended 31.03.2023	Year Ended 31.03.2023	Year Ended 01.04.2022
Net Profit / Other equity as per Previous GAAP	(70,647.66)	(62,143.36)	(44,106.15)
Profit of Canopy Finance Ltd on account of merger	2,816.65	2,816.65	-
<b>Restated net profit</b>	<b>(67,831.00)</b>	<b>(59,326.71)</b>	<b>(44,106.15)</b>
<b>Add/(Less): IND AS Adjustments</b>			
1) Impact of changes in Lease Accounting under IND AS	(1,151.85)	(1,151.85)	-
2) Effect of measuring financial assets at fair value	126.61	126.61	-
3) Effect of measuring Investments at fair value	6,621.69	5,398.76	(1,222.93)
4) Effect of measuring Loans at Amortized cost using effective interest rate	(650.77)	(650.77)	-
5) Effect of recognition of Provisions under IND AS (Expected Credit Loss)	1.63	(15.59)	(17.21)
6) Deferred Tax Impact on the above adjustments	(476.10)	(301.62)	174.48
7) Others	81.37	(1,333.60)	-
<b>Net Profit / Other equity as per IND AS</b>	<b>(63,278.42)</b>	<b>(57,254.76)</b>	<b>(45,171.81)</b>

Notes:

**1) Lease Accounting**

Under the previous accounting GAAP, lease rent was debited to statement of Profit and Loss on a straight line basis. Under IND AS Right of use assets and lease liabilities are recognized for all leases except short term lease and Depreciation and Finance charges are recorded on such assets and liabilities respectively. Under exemption available under IND AS 101 Right of Use Assets are recognized at amount equal to Lease liabilities on the date of transition.

**2) Financial Assets at Fair value**

Under the previous accounting GAAP, interest free lease security deposits (that are refundable in cash on completion of lease term) are recorded at transaction cost. Under Ind AS such financial assets are required to be recognized at fair value. Accordingly, the Company has measured such security deposit at fair value and the difference between the fair value and transaction value of the security deposit has been recognized as prepaid rent (Right of use Assets). Impact of such changes on date of transition is recognized in opening reserves and changes thereafter are recorded in statement of Profit and Loss accounts.

**3) Investments at fair value**

Under the previous accounting GAAP, the investments were carried at cost whereas under Ind AS, investments are measured at fair value through profit and loss or fair value through Other Comprehensive Income and the changes are recorded in the statement of profit or loss or Other Comprehensive income respectively.

**4) Effective interest rate**

Under previous accounting GAAP, transaction costs charged to customers was recognised upfront while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method.

**5) Expected credit loss**

The company has defined policy for expected credit loss required under IND AS 109 which was not there under the previous accounting GAAP and accordingly, the company has restated the provisions for expected credit loss as on the transition date and in subsequent accounting periods which were earlier done based on RBI guidelines.



#### 6) Deferred Tax

Deferred tax under Ind AS has been recognised for temporary differences between tax base and the book base of the relevant assets and liabilities. Under the Previous GAAP, the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period.

**Purple Finance Limited**  
**Notes forming the parts of financial statements**

**Note - 53: Disclosures in Financial Statements- Notes to Accounts of NBFCS**

**[A] Exposure**  
**1) Exposure to real estate sector**

		(Amount in ₹ crore)	
Sr. No.	Category	Current year	Previous Year
	<i>i) Direct exposure</i>		
a)	Residential Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	30.24	3.38
b)	Commercial Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
c)	Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i.	Residential	-	-
ii.	Commercial	-	-
ii)	<i>Indirect</i>		
	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
	<b>Total Exposure to Real Estate Sector</b>	<b>30.24</b>	<b>3.38</b>



**Parple Finance Limited**  
**Notes forming the parts of financial statements**

**Note - 53: Disclosures in Financial Statements- Notes to Accounts of NBFCs**  
**2) Exposure to capital market**

		(Amount in Crores)	
Sr. No.	Particulars	Current Year	Previous Year
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	0.89	7.11
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individual for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii)	Bridge loans to companies against expected equity flows / issues	-	-
viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix)	Financing to stockbrokers for margin trading	-	-
x)	All exposures to Alternative Investment Funds:		
(i)	Category I	-	0.45
(ii)	Category II	-	-
(iii)	Category III	-	-
<b>Total exposure to capital market</b>		<b>0.89</b>	<b>7.57</b>

**Purple Finance Limited**  
Notes forming the parts of financial statements

Note - 53: Disclosures in Financial Statements- Notes to Accounts of NBFCs  
3) Sectoral exposure

Sr. no.	Sectors	Current Year			Previous Year		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
<b>1</b>	<b>Agriculture and Allied Activities</b>	<b>9.49</b>	-	0.00%	<b>0.42</b>	-	0.00%
<b>2</b>	<b>Industry</b>						
i.	Micro & Small	3.64	-	0.00%	2.88	-	0.00%
ii.	Medium	-	-	0.00%	-	-	0.00%
	Others	3.38	-	0.00%	0.13	-	0.00%
	<b>Total of Industry (i + ii + Others)</b>	<b>7.02</b>	-	<b>0.00%</b>	<b>3.01</b>	-	<b>0.00%</b>
<b>3</b>	<b>Services</b>						
i.	Retail & Other	9.45	-	0.00%	1.56	-	0.00%
ii.	Professional	4.28	-	0.00%	1.11	-	0.00%
	Others	-	-	0.00%	0.19	-	0.00%
	<b>Total of Services (i + ii + Others)</b>	<b>13.73</b>	-	<b>0.00%</b>	<b>2.86</b>	-	<b>0.00%</b>
<b>4</b>	<b>Personal Loans</b>						
i.	Individual - HUF	-	-	0.00%	6.53	-	0.00%
ii.	Individual	0.30	-	0.00%	0.28	-	0.00%
	<b>Total of Personal Loans (i + ii + Others)</b>	<b>0.30</b>	-	<b>0.00%</b>	<b>6.81</b>	-	<b>0.00%</b>
<b>5</b>	<b>Others, if any (please specify)</b>	-	-	0.00%	-	-	0.00%

**Note:**

- i. The disclosures as above shall be based on the sector-wise and industry-wise bank credit (SIBC) returns submitted by scheduled commercial banks to the Reserve Bank and published by Reserve Bank as 'Sectoral Deployment of Bank Credit'.
- ii. In the disclosures as above, if within a sector, exposure to a specific sub-sector/industry is more than 10 per cent of Tier I Capital of a NBFC, the same shall be disclosed separately within that sector. Further, within a sector, if exposure to a specific sub-sector/industry is less than 10 per cent of Tier I Capital, such exposures shall be clubbed and disclosed as "Others" within that sector.

**Purple Finance Limited**

**Notes forming the parts of financial statements**

**Note - 53: Disclosures in Financial Statements - Notes to Accounts of NBFC**

*4) Intra-group exposures*

Sr. No.	Particulars	(Amount in ₹ crore)	
		Current Year	Previous Year
i)	Total amount of intra-group exposures	0.25	0.28
ii)	Total amount of top 20 intra-group exposures	0.25	0.28
iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowings/loans	0.83%	2.16%

*5) Unhedged foreign currency exposure*

(Amount in ₹ crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Unhedged foreign currency exposure	Nil	Nil



**Parple Finance Limited**  
**Notes forming the parts of financial statements**

**Note - 53: Disclosures in Financial Statements- Notes to Accounts of NBFCs**

**1 C1 Disclosure of complaints**

1) *Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman*

Sr. No.	Particulars	Current Year	Previous
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	1	-
3	Number of complaints disposed during the year	1	-
	3.1. Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
-	Maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
	5.1. Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
	5.2. Of 5, number of complaints resolved through conciliation/mediation/other modes issued by Office of Ombudsman	-	-
	5.3. Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6*	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

\* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

2) Top five grounds of complaints received by the NBFCs from customers

Sr. No.	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
<b>1</b>						
<b>Current Year</b>						
1	Ground - 1 Disbursement and cancellation of loan	-	1	-	-	-
2	Ground - 2	-	-	-	-	-
3	Ground - 3	-	-	-	-	-
4	Ground - 4	-	-	-	-	-
5	Ground - 5	-	-	-	-	-
6	Others	-	-	-	-	-
	<b>Total</b>	-	<b>1</b>	-	-	-
<b>Previous Year</b>						
1	Ground - 1	-	-	-	-	-
2	Ground - 2	-	-	-	-	-
3	Ground - 3	-	-	-	-	-
4	Ground - 4	-	-	-	-	-
5	Ground - 5	-	-	-	-	-
6	Others	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-

Purple Finance Ltd  
Notes forming the parts of financial statements

Note-53: Disclosures in Financial Statements- Notes to Accounts of NBFCs  
[ B ] Related Party Disclosure

(Amount in ₹ crore)

Sr. No.	Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel <sup>4</sup>		Related Parties of Key Management Personnel <sup>5</sup>		Key Management Others		Others <sup>6</sup>		Total	
		Current year	Previous	Current year	Previous	Current	Previous	Current year	Previous	Current year	Previous year	Current year	Previous year	Current	Previous	Current	Previous
i)	Borrowing <sup>7</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii)	Deposit <sup>8</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii)	Prepayment of Advances <sup>9</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv)	Advances <sup>9</sup>	-	2.91	-	-	-	-	-	-	-	-	-	-	-	-	-	2.91
v)	Investment <sup>10</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Purchase of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vii)	Sale of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
viii)	Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ix)	Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
x)	Others <sup>11</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note - 54: Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 19 of "Non-Banking Financial Company - Non-Systemically Important Non Deposit taking Company (Reserve Bank) Directions, 2016".

Particulars	Amount Outstanding		Amount Overdue	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
<b>Liabilities side :</b>				
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures :				
(i) Secured :	-	-	-	-
(ii) Unsecured (other than falling within the meaning of public	50,000.00	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	171,282.38	2,964.37	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits*	-	-	-	-
(f) Other Loans - Loans from Directors	-	-	-	-

	Amount Outstanding	
	31.03.2024	31.03.2023
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	50,000.00	-
(b) In the form of partly secured debentures i.e.	-	-
(c) Other public deposits	-	-

(3) Assets side :	Amount Outstanding	
	31.03.2024	31.03.2023
Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	302,437.63	33,820.89
(b) Unsecured	3,252.39	96,898.12

(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	Amount Outstanding	
	31.03.2024	31.03.2023
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-



(5) Break-up of Investments :	31.03.2024	31.03.2023
<b>Current Investments</b>		
1 Quoted :.		
(i) Shares	-	-
(a) Equity	-	30,637.84
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	31,541.25
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2 Unquoted :.		
(i) Shares	-	-
(a) Equity	-	-
(b) Preference	-	-
(5) Break-up of Investments :	31.03.2024	31.03.2023
<b>Current Investments</b>		
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
<b>Long Term investments :</b>		
1 Quoted :		
(i) Shares	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2 Unquoted :.		
(i) Shares	-	-
(a) Equity	8,943.54	8,943.54
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
(a) Investments in Annuities in Senior Secured	-	4,549.14

Particulars	(6) Borrower group-wise classification of assets financed as in (3) and (4) above :					
	Secured		Unsecured		Total	
	As at 31st Mar 2024	As at 31st Mar 2023	As at 31st Mar 2024	As at 31st Mar 2023	As at 31st Mar 2024	As at 31st Mar 2023
<b>1 Related Parties **</b>						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	2,533.81	67,879.74	2,533.81	67,879.74
<b>2 Other than related parties</b>	301,605.93	33,727.89	709.64	28,752.04	302,315.56	62,479.92
<b>Total</b>	<b>301,605.93</b>	<b>33,727.89</b>	<b>3,243.44</b>	<b>96,631.78</b>	<b>304,849.37</b>	<b>130,359.66</b>

Particulars	(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and			
	Market Value / Break up Value /		Book Value	
	As at 31st Mar 2024	As at 31st Mar 2023	As at 31st Mar 2024	As at 31st Mar 2023
<b>1 Related Parties **</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2 Other than related parties</b>	8,943.54	75,671.77	8,943.54	69,996.02
<b>Total</b>	<b>8,943.54</b>	<b>75,671.77</b>	<b>8,943.54</b>	<b>69,996.02</b>

\*\* As per Accounting Standard of ICAI

Notes :

- 1 Market Value/Break up Value or Fair Value or NAV is taken at the book value of unquoted shares as certified by the management
- 2 Companies in the same group have been considered to mean companies under the same management

(8) Other information		
Particulars	As at 31st Mar 2024	As at 31st Mar 2023
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

In the opinion of the board, current assets, loans & advances have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts.

Note - 55: Figures of the previous year have been regrouped, reclassified and recast, wherever necessary to conform to current year's classification

As per our report of even date  
For Jogin Raval & Associates  
Chartered Accountants  
ICAI's firm Registration Number: 125586W

For and on behalf of the Board of Directors of  
For Purple Finance Limited  
(CIN: U67120MH1993PLC075037)

CA Jogin Raval  
Proprietor  
Membership No.: 122197  
Place : Mumbai  
Date : 20th April, 2024  
UDIN: 24122197BKAOFI9872

Amitabh Chaturvedi  
Director  
(DIN: 00057441)

Rajeev Deoras  
Director  
(DIN: 02879519)

Sonal Vira  
Chief Financial Officer

Sabyasachi Rath  
Chief Executive Officer

Ruchi Nishar  
(Membership No. A68260)  
Company Secretary



## **Purple Finance Limited**

**Registered Office:** 11, Indu Chambers, 349/353, Samuel Street, Masjid Bunder West,  
Mumbai – 400003

**Corporate Office:** 705/706, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Opp.  
Gurunanak Hospital, Bandra (E), Mumbai – 400 051

**CIN:** U67120MH1993PLC075037

**Tel No:** 022- 69165100 / **Email:** [investordesk@purplefinance.in](mailto:investordesk@purplefinance.in) / **Website:** [www.purplefinance.in](http://www.purplefinance.in)