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PURPLE STYLE LABS LIMITED

August 27, 2026

PERNIA'S POP-UP SHOP

SMC Ranking
★★☆☆☆ (2/5)

Issue Highlights

Industry	**Retail**
Fresh Issue (Shares)	11,826,086
Net Offer to the Public	11,826,086
Issue Size (Rs. Cr.)	645-680
Price Band (Rs.)	546-575
Offer Date	27-Aug-26
Close Date	31-Aug-26
Face Value	10
Lot Size	26

Issue Composition

	In shares
Total Issue for Sale	11,826,086
QIB	8,869,565
NIB	1,773,913
Retail	1,182,609

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	28.26%	24.08%
QIB	71.74%	72.23%
NIB	0.00%	2.22%
Retail	0.00%	1.48%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Investment in wholly owned Subsidiary, PSL Retail for expenditure towards lease liabilities of Experience Centers, and back-end offices in India
2. Funding towards sales and marketing expenses to be incurred by the Company
3. General Corporate Purposes

Book Running Lead Manager

- Axis Capital Limited
- IIFL Capital Services Limited

Name of the registrar

- Kfin Technologies Limited

About the company

Purple Style Labs Limited, incorporated in 2015, operates a multi-brand luxury fashion omni-channel platform under the Pernia's Pop-Up Shop (PPUS) brand. The Group retails apparel, jewellery, accessories and lifestyle products sourced from 1,109 Active Designer Brands as of March 31, 2026, through its website, mobile application, Experience Centers, events and exhibitions. Its product portfolio covers womenswear, menswear, jewellery, accessories and kidswear, with a strong focus on wedding and occasion wear. The company operates 14 Experience Centers globally, including 12 in India, one in London and one in New York. In FY2026, it generated Rs. 557.84 crore revenue from operations and Rs. 721.56 crore PPUS GMV, while serving 66,713 customers and recording 19.14 million online unique visitors.

Strength

Large Multi-Brand Luxury Fashion Platform: Purple Style Labs has built a sizeable multi-brand luxury fashion ecosystem under Pernia's Pop-Up Shop. As of March 31, 2026, the platform sourced products from 1,109 Active Designer Brands, including Seema Gujral, Anushree Reddy, Amit Aggarwal and Rohit Gandhi & Rahul Khanna. The company describes PPUS as one of India's largest and fastest-growing multi-brand luxury omni-channel fashion platforms by FY2025 revenue. Its assortment spans womenswear, menswear, jewellery, accessories and kidswear, creating a one-stop destination for premium fashion. The breadth of designer relationships also creates an entry barrier because new competitors would need considerable time to establish similar brand relationships, customer trust and product selection.

Strong Omni-Channel Presence and Experience Centers: The company combines digital commerce with physical luxury retail through its website, mobile application and 14 Experience Centers across India, the UK and US. Twelve centers are located in India, while London and New York provide international presence. The Experience Centers offer customers physical product interaction, trial, customization and personalized styling, complementing online discovery and purchasing. In FY2026, the company recorded 1.91 crore unique online visitors and served 66,713 customers with 95,565 orders. Importantly, the Indian Experience Center AOV of Rs. 90,651 was more than twice the online AOV of Rs. 38,753, highlighting the monetization advantage of the physical luxury retail format.

Premiumization Has Sharply Improved Customer Economics : Purple Style Labs has consciously shifted its product and designer mix toward premium offerings since early 2024. It reduced lower-value products priced below Rs. 15,000 and concentrated on higher-value Designer Brands. Consequently, PPUS AOV increased from Rs. 45,513 in FY2024 to Rs. 75,505 in FY2026, while PPUS ASP rose from Rs. 26,936 to Rs. 47,051.

Average PPUS GMV per customer increased from Rs. 67,097 to Rs. 1,08,159, representing almost 30% growth in FY2026. Although the number of customers declined from 92,672 to 66,713, higher spending per customer supported improved monetization. The strategy demonstrates the company's ability to prioritize value and profitability over pure customer-volume expansion.

Diversified Designer and Product Portfolio: The company has diversified both its designer base and product categories. Only one Designer Brand contributed more than 10% of Total PPUS GMV in FY2026, reducing dependence on a single designer. The top 10 brands accounted for 30.24% of GMV, while the top 100 accounted for 77.56%. Menswear has emerged as an important growth category, with GMV increasing from Rs. 96.05 crore in FY2024 to Rs. 132.10 crore in FY2026, representing a 17.28% CAGR and raising its share of Total PPUS GMV to 18.31%. The company has also expanded into real and fine jewellery, providing additional high-value products and diversification opportunities.

Strategy

Expand Footprint in Key Luxury Markets: Purple Style Labs plans to expand its presence in important luxury markets through larger-format Experience Centers and stronger digital channels. India's luxury market is estimated at Rs. 149900 crore in FY2026, up from Rs. 69900 crore in FY2020, and is projected to reach Rs. 2,57000 crore by FY2031, representing an 11% CAGR. The company has opened Large Format Experience Centers in Mumbai, Delhi, Hyderabad and New York, generally ranging between 20,000 and 60,000 sq. ft. In FY2026, four Experience Centers were opened at Fort and Linking Road in Mumbai, South Extension in Delhi and Madison Avenue in New York. The objective is to improve footfall, assortment and customer acquisition.

Deepen Existing Customer Relationships : The company intends to increase revenue from its existing customer base by using customer preferences and shopping behaviour to curate more relevant products. Its focus is on increasing purchase frequency, customer spending and retention through personalized service, wider product choices and stronger online and in-store experiences. Average PPUS GMV per customer increased from Rs. 67,097 in FY2024 to Rs. 1,08,159 in FY2026, while PPUS AOV rose 34.57% year-on-year in FY2026 to Rs. 75,505. Repeat customers represented 28.80% of total customers in FY2026 and contributed 29.34% of Total PPUS GMV. The company therefore aims to monetize its existing premium customer base more deeply rather than relying only on customer acquisition.

Increase and Optimize Product Categories and Designer Mix : The company plans to broaden its assortment while concentrating capital and inventory on high-performing categories and designers. It has introduced real jewellery and intends to expand menswear, including clothing, accessories and footwear. The company has also introduced dedicated sections for the Pret category priced at Rs. 15,000–Rs. 35,000, allowing it to address smaller occasions and casual wear in addition to weddings. Dedicated sections for top-selling Designer Brands are being developed within Large Format Experience Centers. This approach is intended to improve customer engagement, increase purchase frequency and optimize inventory. The company also intends to continue identifying emerging and established designers that fit its premium positioning.

Improve Profitability and Optimize Costs : Profitability improvement is a critical strategic priority because the company continues to report substantial losses. Purple Style Labs has already reduced sales and marketing expenditure from Rs. 54.11 crore in FY2024 to Rs. 30.16 crore in FY2026, lowering its share of revenue from 10.73% to 5.41%. Going forward, it intends to focus on high-impact digital marketing, targeted campaigns, influencer collaborations and Experience Center events while avoiding inefficient expenditure. However, rising fixed costs remain a concern. Rent expense increased from Rs. 35.01 crore in FY2024 to Rs. 84.78 crore in FY2026, while finance costs rose to Rs. 97.09 crore. Successful cost control and store productivity will therefore be crucial for achieving profitability.

Key Risk Factors

- The company has reported a Rs. 285.40 crore consolidated loss in FY2026 and negative retained earnings of Rs. 710.29 crore.
- Heavy dependence on Experience Centers exposes the business to high rental and fixed operating costs.
- The company operates in a highly competitive luxury fashion market with both organized and unorganized players.
- Inventory mismanagement could increase working-capital requirements and lead to markdowns or obsolescence.
- International operations expose the company to foreign-exchange, tariff, regulatory and geopolitical risks.

Peer Comparison

As per RHP, there is no listed company in India or globally with a similar size, scale, and business model.Hence, the company cannot provide an industry comparison.

Valuation:

Considering the P/S valuation, on the upper end of the price band of Rs. 575, the stock is priced at pre issue P/S of 7.03x on Sales per share of Rs. 81.75. Post issue, the stock is priced at a P/S of 8.25x on its Sales per share of Rs. 69.68. Looking at the P/B ratio at Rs. 575, pre issue, networth is negative. Post issue, book value of Rs. 78.41of P/BV 7.33x.

Considering the P/S valuation, on the lower end of the price band of Rs. 546, the stock is priced at pre issue P/S of 6.68x on Sales per share of Rs. 81.75. Post issue, the stock is priced at a P/S of 7.84x on its sales per share of Rs. 69.68. Looking at the P/B ratio at Rs. 546, pre issue, Networth is negative. Post issue, book value of Rs. 78.41 of P/BV 6.96x.

Industry Overview

India's luxury and wedding occasion-wear markets offer a sizeable structural opportunity, supported by rising incomes, premiumization, changing consumer preferences and growing acceptance of Indian designer fashion globally. According to the RHP's 1Lattice Report, India's luxury market was valued at Rs. 1,49900 crore in

FY2026, compared with Rs. 69900 crore in FY2020, and is projected to reach Rs. 2,57000 crore by FY2031, implying an 11% CAGR. India's wedding and occasion-wear market stood at Rs. 200000 crore in FY2026 and is expected to reach Rs. 3,70000 crore by FY2031, a 13% CAGR. The branded segment is projected to grow at 16% CAGR, increasing its market share from 31% to 35%. The luxury segment is expected to grow fastest at 25% CAGR, increasing its share from 5% to 9%.

Outlook

Purple Style Labs operates in an attractive luxury and designer-wear market with strong premiumization potential, a broad 1,109-brand network and growing AOV. Its omni-channel model, international presence and Large Format Experience Centers provide long-term growth opportunities. However, the investment case remains high-risk because FY2026 loss reached Rs. 285.40 crore, finance costs were Rs. 97.09 crore, and lease costs are rising sharply. Sustainable profitability, store productivity and cash-flow improvement remain critical.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Mon, Aug 31, 2026
IPO Close Date	Wed, Sep 2, 2026
Tentative Allotment	Thu, Sep 3, 2026
Initiation of Refunds	Fri, Sep 4, 2026
Credit of Shares to Demat	Fri, Sep 4, 2026
Tentative Listing Date	Mon, Sep 7, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	557.84	489.91	504.37
Total expenditure	536.70	452.01	478.41
Operating Profit	**21.13**	**37.90**	**25.97**
OPM%	3.79	7.74	5.15
Other Income	9.23	4.09	5.66
Total Net Income	**30.37**	**41.99**	**31.63**
Interest	97.09	52.97	40.76
PBDT	**-66.72**	**-10.99**	**-9.13**
Depreciation	100.75	54.63	38.58
P/L before exceptional item and tax	**-167.47**	**-65.62**	**-47.71**
Exceptional item-expense/(income)	117.93	122.77	0.00
PBT	**-285.40**	**-188.38**	**-47.71**
Tax	0.00	0.00	0.00
Profit & Loss	**-285.40**	**-188.38**	**-47.71**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property, plant and equipment	77.09	32.37	35.13
Capital work-in-progress	0.00	3.41	0.81
Right of use assets	416.54	153.19	184.32
Goodwill	5.81	5.81	7.09
Other intangible assets	1.37	1.67	1.98
Investments	0.00	0.00	2.62
Loans – non-current	0.60	0.11	0.12
Other financial assets – non-current	44.60	36.15	17.38
Income-tax assets – net	0.89	0.73	0.67
Other non-current assets	7.32	7.11	3.16
Total non-current assets	**554.21**	**240.55**	**253.28**
Current assets			
Financial Assets			
Inventories	163.38	160.34	140.40
Trade receivables	3.19	1.28	0.88
Cash and cash equivalents	15.57	10.38	3.19
Bank balances other than cash and cash equivalents	0.00	0.10	0.10
Loans – current	0.56	0.53	0.47
Other financial assets – current	13.65	15.09	6.45
Other current assets	79.05	68.78	53.61
Total current assets	**275.40**	**256.50**	**205.10**
Total Assets	**829.60**	**497.05**	**458.39**
LIABILITIES			
Non-current liabilities			
Borrowings – non-current	0.00	0.00	1.01
Lease liabilities – non-current	347.03	146.12	167.18
Provisions – non-current	3.93	2.54	1.74
Total non-current liabilities	**350.97**	**148.66**	**169.93**
Current liabilities			
Financial liabilities			
Borrowings – current	371.40	112.79	115.32
Lease liabilities – current	65.47	28.27	26.17
Trade payables – MSME	14.55	14.03	5.34
Trade payables – others	25.70	27.80	59.73
Other financial liabilities	6.69	2.74	4.75
Other current liabilities	46.29	44.73	37.27
Provisions – current	0.83	0.53	0.39
Total current liabilities	**530.91**	**230.90**	**248.95**
Total liabilities	**881.88**	**379.55**	**418.88**
Net worth represented by:			
Equity Share Capital	68.24	0.04	0.03
Other Equity	-120.51	117.46	39.48
Total Equity	**-52.28**	**117.50**	**39.51**

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★★
FAIR	★★★
GOOD	★★★★
EXCELLENT	★★★★★

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