

December 01, 2021

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051

Symbol: NYKAA

ISIN: INE388Y01029

Dear Sir / Madam,

Sub: Machine Readable Copy of Unaudited Financial Results for the Quarter and Half-Year ended September 30, 2021

Ref: Your e-mail dated November 30, 2021

In compliance of NSE circular No.: NSE/CML/2018/02 dated January 16, 2018, we, FSN E-Commerce Ventures Limited ('Company') hereby submit the machine readable copy of Unaudited Financial Results for the Quarter and Half-Year ended September 30, 2021 along with the limited review report of the auditors for the corresponding period.

Kindly note that the above-mentioned results have been duly submitted by the Company to NSE on November 14, 2021 and there is no change in the financial figures submitted/uploaded earlier.

You are requested to take above information on record and acknowledge receipt.

Thanking You.

Yours faithfully,

For FSN E-Commerce Ventures Limited



Rajendra Punde

Head – Legal, Company Secretary & Compliance Officer

Mem. No.: A9785



November 14, 2021

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai – 400 001

Symbol: NYKAA

Scrip Code: 543384

Dear Sirs,

Sub: Unaudited financial results for the Quarter and Half-year ended September 30, 2021

Pursuant to Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we enclose herewith the Unaudited standalone and Consolidated Financial Results for the quarter and half-year ended September 30, 2021, along with the Limited Review Report of the Auditors.

The above financial results have been reviewed by the Audit Committee in its meeting held on Sunday, November 14, 2021, and based on its recommendation, approved by the Board of Directors at its meeting held on Sunday, November 14, 2021. The meeting of the Board of Directors of the Company commenced at 05:30 p.m. and concluded at 08:00 p.m.

The Financial Results will be published in Newspapers as required under the Listing Regulations. Copy of the Press Release, being issued on the above is enclosed.

Kindly take the same on record.

Thanking You.

Yours faithfully,
For FSN E-Commerce Ventures Limited



Rajendra Punde
Head – Legal, Company Secretary & Compliance Officer
Mem. No.: A9785





FSN E-Commerce Ventures Limited
Quarter ended September 30, 2021 – Result Press Release

Mumbai, India, November 14, 2021: FSN E-Commerce Ventures Limited (referred as “Nykaa” or the “Company”), today announced its financial results for the quarter and half ended September 30, 2021, (Q2 FY22).

Q2 FY22 has been a quarter with continued momentum in growth. Our consolidated GMV in Q2 FY22 grew by 63% Year on Year (“YoY”) and 10% sequentially (“QoQ”) to reach at ₹ 16,229 million. Consolidated Revenue from Operations grew by 47% YoY

Operational Highlights for the Quarter:

- Beauty and Personal Care **GMV** grew by 38% YoY to reach at ₹ 11,859 million and Fashion **GMV** grew by 215% YoY to reach at ₹ 4,370 million
- **Fashion GMV** contribution to consolidated GMV increased to 27% compared to 14% in Q2 FY21
- **Monthly Average Unique Visitors** increased to 21 million with YoY growth of 62% in Beauty and Personal Care vertical and to 16 million with YoY growth of 328% in Fashion vertical
- **Annual Unique Transacting Customers** reached 7.2 million with YoY growth of 40% in Beauty and Personal Care vertical and 1.3 million with YoY growth of 417% in Fashion vertical

Consolidated Financial Highlights for the Quarter:

- **Revenue from Operations** grew to ₹ 8,853 million with a growth of 47% on YoY basis and 8% on sequential basis. Marketing support Revenue grew by 68% YoY
- **Gross Profit Margin** was at 42.7%, improved by 213 bps sequentially primarily led by increase in share of GMV from owned brands and increase in share of Fashion GMV
- **Q2 FY22 EBITDA** was ₹ 288 million with flat EBITDA Margin at 3.3% as compared to Q1 FY22. Marketing and Advertisement expense as % to Revenue from Operations was at 13.7% as compared to 11.1% in Q1 FY22
- **Profit after Tax** was ₹ 12 million in Q2 FY22. **Profit after Tax** in H1 FY22 was ₹ 47 million as compared to loss after tax ₹ (251) million in H1 FY21

Key Business Highlights for the Quarter:

- In September 2021, Nykaa acquired 51% stake in **Dot & Key** Wellness Private Limited (“Dot & Key”). This is the first D2C (direct to consumer) beauty brand acquired by Nykaa, allowing the company to expand its skincare, personal care and nutraceuticals owned portfolio. Founded by Suyash Saraf and Anisha Saraf, Dot & Key is a new age brand that offers premium skincare products such as serums, face masks, toners and cleansers. The brand has recently expanded into nutraceuticals under the brand ‘IKWI’, whose products are dermatologically tested and cruelty free
- Nykaa has launched “**SuperStore**” in Q2 FY22. SuperStore is an eB2B platform bringing Beauty and Personal Care access and expertise to underserved channels and markets using technology. Catering to retailers across India, the SuperStore aims to support and empower them to offer the best of the Beauty and Personal Care products to their customers
- Nykaa launched a new fashion owned brand “**Gajra Gang**” in Q2 FY22, ode to every woman who refuses to be labeled. With a ready-to-wear launch collection of modern occasion wear, balancing focus on craftsmanship, tradition and wearability. Gajra Gang is focused on empowering women's choices. The curation includes a modern take on traditional silhouettes including trendy lehengas, saris and co-ord sets.
- With the evolving operating environment, Nykaa has accelerated **store expansion** this quarter, with 8 new physical retail stores across the country including stores in Gwalior, Kochi, Mysore & Ranchi. Our total operational physical store was 84 as of September 30, 2021
- Nykaa continues to ensure access and timely delivery for customers across the length and breadth of the country. It expanded **warehouse storage space** by 0.37 lakh square feet during Q2 FY22 which resulted in total warehouse space of 6.65 lakh square feet as of September 30, 2021

On Q2 FY22 performance, Falguni Nayar, Executive Chairperson, MD and CEO, said:

"We have maintained growth momentum in our beauty business, accelerated our fashion business and focused on building the brand Nykaa with strong marketing campaigns both digitally and mass media. Increased marketing spends has led to acceleration of customer acquisition, also evident in the unique visitor and transacting customer metrics. The Company continues to invest in expansion of retail stores and fulfilment capacity ahead of the festive season. In terms of new initiatives, we are pleased to announce the acquisition of the skincare brand, Dot & Key which marks a significant step towards our owned brands strategy. Suyash and Anisha have cultivated a brand which sees great customer

love, and we're very excited to have them on board the Nykaa family. We have also launched the Nykaa eB2B app - Nykaa Superstore. The business will be an area of focus for the quarters to come. On the fashion side, we have launched a brand, Gajra Gang, in the large and promising Indianwear space. "

Summary of Consolidated financial performance for the quarter ended September 30, 2021:

(All amounts in ₹ million, unless otherwise stated)

Particulars	Quarter Ended					Half Year ended		
	Sep-21 (Unaudited)	Sep-20 (Unaudited)	YoY Growth	Jun-21 (Audited)	QoQ Growth	Sep-21 (Unaudited)	Sep-20 (Unaudited)	YoY Growth
Revenue from Operations	8,853	6,038	47%	8,170	8%	17,023	8,924	91%
Cost of goods Sold	5,070	3,666	38%	4,853	4%	9,924	5,867	69%
Gross Profit	3,782	2,372	59%	3,317	14%	7,099	3,057	132%
<i>Gross Profit Margin %</i>	42.7%	39.3%	345 bps	40.6%	213 bps	41.7%	34.3%	744 bps
Fulfilment expense	910	580	57%	934	-3%	1,845	860	115%
Marketing & advertisement expense	1,214	315	286%	907	34%	2,121	386	449%
Employee benefits expense	923	692	33%	885	4%	1,807	1,251	44%
Other expense	448	236	90%	321	40%	768	512	50%
Operating Expenses	3,494	1,822	92%	3,047	15%	6,541	3,009	117%
EBITDA	288	550	-48%	269	-154%	558	49	1046%
<i>EBITDA Margin %</i>	3.3%	9.1%	-585 bps	3.3%	-4 bps	3.3%	0.5%	273 bps
Depreciation	54	34	58%	53	2%	107	75	43%
Amortisation	159	129	24%	142	12%	301	243	24%
Finance Cost (Net of other income)	62	60	2%	43	43%	104	123	-15%
Profit/(Loss) before Tax	14	326		31		45	(392)	
Total tax expense /(income)	2	57		(4)		(2)	(141)	
Profit/(Loss) after Tax	12	270		35		47	(251)	
Fulfilment cost % to Revenue	10.3%	9.6%	68 bps	11.4%	-115 bps	10.8%	9.6%	120 bps
Marketing & advertisement expense % to Revenue	13.7%	5.2%	850 bps	11.1%	260 bps	12.5%	4.3%	813 bps

Summary of Key operational metrics for the quarter ended September 30, 2021:

Operational KPIs	Unit	Quarter Ended					Half Year Ended		
		Sep-21	Sep-20	YoY Growth	Jun-21	QoQ Growth	Sep-21	Sep-20	YoY Growth
Number of Visits									
Beauty and Personal Care	Million	220	171	29%	214	3%	434	264	64%
Fashion	Million	115	29	295%	98	16%	213	39	446%
Monthly Average Unique Visitors									
Beauty and Personal Care	Million	21	13	62%	19	11%	20	11	88%
Fashion	Million	16	4	328%	13	21%	15	3	458%
Annual Unique Transacting Customers									
Beauty and Personal Care	Million	7.2	5.1	40%	6.7	8%	7.2	5.1	40%
Fashion	Million	1.3	0.2	417%	1.0	29%	1.3	0.2	417%
Orders									
Beauty and Personal Care	Million	6.1	4.0	55%	5.9	4%	12.0	5.8	106%
Fashion	Million	1.3	0.6	114%	1.2	9%	2.5	0.8	217%
Average Order Value (AOV)									
Beauty and Personal Care	₹	1,913	2,158	-11%	1,837	4%	1,876	2,137	-12%
Fashion	₹	3,257	2,207	48%	3,170	3%	3,216	2,238	44%
Gross Merchandise Value (GMV)									
Beauty and Personal Care	₹ in Million	11,859	8,586	38%	10,848	9%	22,707	12,494	82%
Fashion	₹ in Million	4,370	1,385	215%	3,848	14%	8,218	1,815	353%
Total	₹ in Million	16,229	9,971	63%	14,696	10%	30,925	14,309	116%

About Nykaa:

Nykaa (FSN E-Commerce) was founded in 2012 by Indian entrepreneur Falguni Nayar with a vision of bringing inspiration and joy to people, everywhere, every single day. Derived from the Sanskrit word 'Nayaka', meaning one in the spotlight, Nykaa has emerged as one of India's leading lifestyle focused consumer technologies platforms. Since its launch, Nykaa expanded its product categories by introducing online platforms Nykaa Fashion and Nykaa Man. Delivering a comprehensive Omnichannel ecommerce experience, Nykaa offers 4,078 brands and over 3.1 million product SKUs through its website and mobile applications as of August 31, 2021. The Nykaa Guarantee ensures that products available at Nykaa are 100% authentic and sourced directly from the brand or authorized retailers. Through engaging and educational content, digital marketing, social media influence, robust CRM strategies, and the Nykaa Network community platform, Nykaa has built a loyal community of millions of beauty and fashion enthusiasts. For more details visit www.nykaa.com or write to investor-relation@nykaa.com.

S.R. Batliboi & Associates LLP
Chartered Accountants

**12th Floor, The Ruby,
29, Senapati Bapat Marg, Dadar (West)
Mumbai – 400028**

V. C. Shah & Co.
Chartered Accountants

**205-206 Regent Chambers, 2nd Floor,
Jamnalal Bajaj Road, 208 Nariman Point,
Mumbai – 400021**

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors FSN E-Commerce Ventures Limited
(formerly known as FSN E-Commerce Ventures Private Limited)**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of FSN E-Commerce Ventures Limited (formerly known as FSN E-Commerce Ventures Private Limited) (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2021 and year to date from April 01, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the financial results for the corresponding quarter ended September 30, 2020 and the financial results including cash flows for year to date from April 1, 2020 to September 30, 2020, as reported in these Unaudited Consolidated Financial Results have been approved by the Board of Directors of the Company but have not been subject to review.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as mentioned in Annexure to this Report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be



disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The accompanying Statement includes unaudited interim financial results and other unaudited financial information,
- A) in respect of four subsidiaries, whose unaudited interim financial results and other unaudited financial information reflect Group's share of total assets of Rs. 5,689.86 million as on September 30, 2021, and Group's share of total revenues of Rs. 2,199.15 million and Rs. 3,908.78 million, Group's share of net loss of Rs. (229.75) million and Rs. (512.29) million and Group's share of total comprehensive loss of Rs. (231.50) million and Rs. (510.09) million for the quarter ended September 30, 2021 and for the period April 1, 2021 to September 30, 2021, respectively, and net cash inflows of Rs. 57.09 million for the period April 1, 2021 to September 30, 2021, as considered in the Statement which have been reviewed by one of the joint auditors individually.
- B) in respect of one subsidiary, whose unaudited financial results include other unaudited financial information reflect Group's share of total assets of Rs. 568.88 million as on September 30, 2021, as considered in the Statement which have been reviewed by their auditor.

The independent review reports of such auditors on interim financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

7. We have not audited or reviewed the comparative financial information appearing in the Statement of the corresponding quarter ended and half year ended September 30, 2020 which have been prepared solely based on the information compiled by the management and has been approved by the Board of Directors. Further, we report that the figures for the quarter ended September 30, 2021 represent the derived figures between the reviewed figures in respect of the period from April 1, 2021 to September 30, 2021 and the figures for the quarter ended June 30, 2021, which were subject to audit.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number:
101049W/E300004



Per Vineet Kedia
Partner
Membership Number: 212230
UDIN: 21212230AAAAEM2998
Place of Signature: Mumbai
Date: November 14, 2021



For **V. C. Shah & Co.**
Chartered Accountants
ICAI Firm Registration Number:
109818W



Per A.N. Shah
Partner
Membership Number: 42469
UDIN: 21042649AABKOI5413
Place of Signature: Mumbai
Date: November 14, 2021



Annexure to the Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Sr. No.	Name of subsidiaries
1	Nykaa E-Retail Private Limited
2	FSN Brands Marketing Private Limited
3	Nykaa Fashion Private Limited
4	FSN International Private Limited
5	Nykaa-KK Beauty Private Limited
6	FSN Distribution Private Limited
7	Dot & Key Wellness Private Limited
8	Nykaa International UK Limited
9	FSN Global FZE



FSN E-Commerce Ventures Limited (formerly known as FSN E-Commerce Ventures Private Limited)
CIN: U52600MH2012PLC230136
Regd. Office: 104, Vasan Udyog Bhavan, Sun Mill compound, Tulsi Pipe Road, Lower Parel, Mumbai - 400013.
Unaudited Consolidated Financial Results for the Quarter and Half year ended September 30, 2021

(Rs. In Millions)

Sr. No.	Particular	Quarter ended			Half year ended		Year ended
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
	INCOME						
	Revenue from operations	8,852.64	8,169.91	6,037.70	17,022.55	8,924.09	24,408.95
	Other Income	51.98	47.22	11.28	99.20	35.36	117.59
I	TOTAL INCOME	8,904.62	8,217.13	6,048.98	17,121.75	8,959.45	24,526.54
	EXPENSES						
	Cost of material consumed	179.32	229.37	30.21	408.69	65.30	382.41
	Purchase of traded goods	5,023.14	5,509.42	4,067.29	10,532.56	5,109.84	14,956.07
	Changes in inventories of finished goods and stock-in-trade	(132.24)	(885.47)	(431.34)	(1,017.71)	691.63	(412.71)
	Employee benefits expense	922.63	884.67	692.10	1,807.30	1,250.85	2,836.47
	Finance costs	113.49	90.14	71.74	203.63	158.85	307.01
	Depreciation and amortisation expense	213.08	194.97	162.77	408.05	317.48	715.89
	Other expenses	2,571.55	2,162.54	1,129.81	4,734.09	1,757.82	5,080.16
II	TOTAL EXPENSES	8,890.97	8,185.64	5,722.58	17,076.61	9,351.77	23,865.30
III	Profit / (loss) before tax (I - II)	13.65	31.49	326.40	45.14	(392.32)	661.24
	Tax expense / (income) :						
	Current tax	3.66	133.64	51.72	137.30	51.72	400.78
	Deferred tax	(1.73)	(137.37)	4.80	(139.10)	(146.23)	(309.61)
	Adjustment of tax relating to earlier periods	-	-	-	-	(15.22)	(15.22)
	Deferred tax credit for unrecognised business loss of earlier years	-	-	-	-	(31.19)	(31.19)
IV	Total tax expense / (income)	1.93	(3.73)	56.52	(1.80)	(140.92)	44.76
V	Profit / (Loss) after tax (III - IV)	11.72	35.22	269.88	46.94	(251.40)	616.48
	Other Comprehensive Income ("OCI")						
	Items that will not be reclassified to profit or loss						
	Remeasurement gain/ (loss) of defined benefit liability	0.72	15.72	-	16.44	(1.81)	(4.41)
	Income tax effect on above	(0.18)	(3.96)	-	(4.14)	0.22	1.19
	Fair valuation of investments measured through OCI	-	(12.92)	-	(12.92)	-	(24.84)
	Income tax effect on above	-	3.25	-	3.25	-	6.25
VI	Total Other Comprehensive Income/(Loss)	0.54	2.09	-	2.63	(1.59)	(21.81)
VII	Total Comprehensive Income/(Loss) (V+VI)	12.26	37.31	269.88	49.57	(252.99)	594.67
VIII	Profit/ (Loss) for the period attributable to:						
	Equity shareholders of parent	11.70	34.15	274.68	45.85	(242.97)	615.52
	Non-controlling interests	0.02	1.07	(4.80)	1.09	(8.43)	0.96
		11.72	35.22	269.88	46.94	(251.40)	616.48
IX	Other Comprehensive Income/(Loss) for the period attributable to:						
	Equity shareholders of parent	0.54	2.09	-	2.63	(1.59)	(21.82)
	Non-controlling interests	-	-	-	-	-	0.01
		0.54	2.09	-	2.63	(1.59)	(21.81)
X	Total Comprehensive Income/(Loss) for the period attributable to:						
	Equity shareholders of parent	12.24	36.24	274.68	48.48	(244.56)	593.70
	Non-controlling interests	0.02	1.07	(4.80)	1.09	(8.43)	0.97
		12.26	37.31	269.88	49.57	(252.99)	594.67
XI	Paid-up equity share capital	467.33	154.76	147.33	467.33	147.33	150.57
	Face value Rs. (Refer Note 2)	1.00	10.00	10.00	1.00	10.00	10.00
XII	Other Equity for the year						4,748.39
	Earnings / (Loss) per equity share (Face value Re. 1/-) (not annualised for the quarter/half year)						
	Basic (In Rs.)	0.03	0.08	0.62	0.10	(0.55)	1.38
	Diluted (In Rs.)	0.03	0.07	0.60	0.10	(0.55)	1.33



Notes:

1. The above Unaudited Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2021 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. These consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 14, 2021.
2. Pursuant to the approval of the shareholders in their meeting held on July 16, 2021, the Company, on July 22, 2021, sub-divided one equity share of face value of Rs. 10 each into ten equity shares of face value of Re. 1 each and allotted 311,357,900 ordinary shares of face value of Re. 1 each as fully paid-up bonus shares in proportion of two bonus shares for every one existing fully paid-up equity share of face value of Re. 1 each held as on the Record Date i.e. July 15, 2021.
3. On September 28, 2021, the Company has acquired 51% stake in Dot & Key Wellness Private Limited (Dot & Key) for a consideration of Rs. 969 Million. Accordingly, effective such date Dot & Key has become a subsidiary of the Company. Further, the Promoter shareholders of Dot & Key (NCI holder of the subsidiary) have Put Option for acquisition of incremental stake upto 49% by the Company at a value to be determined as per the terms of Shareholders Agreement for consideration not exceeding Rs. 1,530 Million. The Company is in the process of completion of the Purchase Price Allocation (PPA) in accordance with Ind AS 103 Business Combinations. On September 30, 2021, the Group has accounted for acquisition on provisional basis. Accordingly, it has recognised the group's share in the carrying amount of assets and liabilities of the subsidiary, Non Controlling Interest (NCI) including put option liability for Rs. 1,530 Million and goodwill of Rs. 706.81 Million on provisional basis. Based on materiality and for convenience purpose, the Group has considered October 1, 2021 as the effective date of consolidation of financial results of Dot & Key.
4. Subsequent to the Balance Sheet date, the Company has completed its Initial Public Offer (IPO) of 47,575,326 equity shares of face value of Re. 1 each at an issue price of Rs. 1,125 per share (including a share premium of Rs. 1,124 per share). A discount of Rs. 100 per share was offered to eligible employees bidding in the employee's reservation portion of 250,000 equity shares. The issue comprised of a fresh issue of 5,602,666 equity shares aggregating to Rs. 6,300 Million and offer for sale of 41,972,660 equity shares by selling shareholders aggregating to Rs. 47,197 Million. The Company will provide an update on the utilisation of IPO proceeds towards the objects of the fresh issue effective next reporting period based on actual utilisation of funds Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 10, 2021. Accordingly, the consolidated financial results for the quarter and half year ended September 30, 2021 are drawn up for the first-time in accordance with the SEBI listing regulations.
5. The Group is engaged in the business of selling beauty, personal care, fashion products and other related products and services through various platforms and the Group's Chief Operating Decision Makers (CODM) reviews and allocates resources based on Omni business and Omni channel strategy, which in the terms of Ind AS 108 on 'Operating Segments' constitutes a single reporting segment. Hence, no separate disclosure is required for segments.
6. The Company has granted 1.7 Millions stock options under the employee stock option scheme - ESOS 2012 and ESOS 2017, as approved by the Board of Directors of the Company, to the eligible employees of the Company and its subsidiaries.



7. Financial results of FSN E-Commerce Ventures Limited (formerly known as FSN E-Commerce Ventures Private Limited) (standalone):-

Sr. No.	Particulars	Three Months ended			Six Months ended		Rs in Millions
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	Year ended 31 March 2021
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
I	TOTAL INCOME	699.62	624.10	552.24	1323.72	890.71	2060.63
II	Profit / (Loss) before tax	232.53	252.36	113.80	484.89	165.38	448.26
III	Profit / (Loss) after tax (III - IV)	182.56	198.40	93.79	380.96	134.50	361.88

8. The Group has taken into account all the possible impacts of COVID-19 in preparation of these consolidated financial results, including but not limited to its assessment of, liquidity and going concern assumptions, recoverable values of its financial and non-financial assets, impact on revenue and cost, impact on leases, and impact on investment in subsidiaries. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial results and believes that the impact of COVID-19 is not material to these consolidated financial results and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial results may differ from that estimated as at the date of approval of these consolidated financial results owing to the nature and duration of COVID-19 and the Group will continue to closely monitor any material changes to future economic conditions.



9. Statement of Assets and Liabilities:

Particulars	(Rs. In Million)	
	As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	847.35	686.51
Right of use assets	1,784.15	1,389.32
Capital work in progress	30.91	19.69
Goodwill	711.87	5.06
Other Intangible assets	185.48	230.35
Intangible assets under development	46.44	3.88
Financial assets		
Investments	0.27	13.19
Other financial assets	236.10	161.71
Deferred tax assets (net)	918.56	780.35
Non-current tax assets	223.94	85.62
Other non-current assets	78.17	13.53
Total non-current assets	5,063.24	3,389.21
Current assets		
Inventories	6,042.15	4,980.90
Financial assets		
Investments	5.36	-
Trade receivables	961.84	766.35
Cash and cash equivalents	1,723.39	835.82
Bank balance other than cash and cash equivalents	1,615.18	1,640.87
Other financial assets	772.45	574.39
Other current assets	1,454.89	831.81
Total current assets	12,575.26	9,630.14
Total assets	17,638.50	13,019.35
Equity and liabilities		
Equity		
Equity share capital	467.33	150.57
Other equity	5,768.79	4,748.39
Equity attributable to equity holders of the parent	6,236.12	4,898.96
Non-controlling interests	1,539.35	8.34
Total equity	7,775.47	4,907.30
Non-current liabilities		
Financial liabilities		
Borrowings	16.60	16.60
Lease liabilities	1,457.55	1,073.82
Provisions	76.97	73.46
Total non-current liabilities	1,551.12	1,163.88
Current liabilities:		
Financial liabilities		
Borrowings	3,507.10	1,858.05
Lease liabilities	408.81	378.16
Trade payables		
Total outstanding dues of micro enterprise and small enterprises	138.56	90.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,696.47	3,071.37
Other financial liabilities	1,162.70	850.13
Contract liabilities	134.35	169.14
Current tax liabilities	-	246.93
Short-term provisions	85.68	108.47
Other current liabilities	178.24	175.17
Total current liabilities	8,311.91	6,948.17
Total liabilities	9,863.03	8,112.05
Total equity and liabilities	17,638.50	13,019.35



10. Statement of Cash Flows

(Rs. In Million)

Particulars	For the Half Year ended 30 September 2021 (Unaudited)	For the Half Year ended 30 September 2020 (Unaudited)
Operating activities		
Profit/(loss) before tax as per Statement of profit & loss	45.14	(392.32)
Adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation and amortisation expense	408.05	317.48
Finance costs	203.63	158.85
Interest income	(69.93)	(31.25)
Provision for gratuity	14.25	19.02
Provision for compensated absences expense	(7.94)	51.45
Provision for share based payment expenses	57.59	22.56
Foreign exchange (gain)/loss	(7.95)	(4.06)
Allowance for expected credit loss	1.78	33.73
Operating profit before working capital changes	644.62	175.44
Working capital Adjustments:		
(Increase)/ Decrease in trade receivables	(178.17)	113.21
(Increase)/ Decrease in inventories	(1,004.95)	758.12
(Increase) in current financial asset	(202.18)	(1,046.00)
(Increase) in non-current financial assets	(16.29)	(58.91)
(Increase)/ Decrease in other current assets	(604.31)	175.86
Increase/ (Decrease) in trade payables	(373.13)	(526.59)
Increase/ (Decrease) in non-current provisions	13.65	(63.66)
Increase in current other financial liabilities	279.72	593.59
(Decrease) in other current liabilities	(32.50)	(137.24)
Increase/ (Decrease) in current provisions	(22.80)	57.26
Cash generated from / (used) in operations	(1,496.34)	41.08
(Payment)/ Refund of taxes (net)	(519.45)	6.20
Net cash flow from / (used in) operating activities (A)	(2,015.79)	47.28
Investing activities		
Purchase of property, plant and equipment, intangible assets including movement in CWIP and capital creditors (net of proceeds from sales)	(361.79)	(151.76)
Payment for acquisition of subsidiary, net of cash acquired	(510.84)	-
(Investment in) / redemption of fixed deposits/Mutual funds	(11.61)	39.20
Interest Received	54.57	7.84
Net cash flows used in investing activities (B)	(829.67)	(104.72)
Financing activities		
Proceeds from issue share capital	2,509.10	892.49
Proceeds from/(repayment of) current borrowings (net)	1,649.04	(1,482.38)
Principal payment of lease liabilities	(222.42)	(148.37)
Interest expenses on lease liabilities	(73.73)	(48.66)
Interest paid	(128.96)	(112.03)
Net cash flows from / (used in) financing activities (C)	3,733.03	(898.95)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	887.57	(956.39)
Cash and cash equivalents at the beginning of the period	835.82	1,011.91
Cash and cash equivalents at the period end	1,723.39	55.52



11. The consolidated financial results and other financial information for the quarter and half year ended September 30, 2020 and statement of cash flow for the half year ended September 30, 2020 have not been audited or reviewed by our statutory auditors. However, the management has exercised necessary due diligence to ensure that the consolidated financial results for these periods provide a true and fair view of the Group's affairs.
12. Previous period figures have been regrouped wherever found necessary, to conform to current period classification.

FSN E-Commerce Ventures Limited
(formerly known as FSN E-Commerce Ventures Private Limited)

Falguni Nayar

Falguni Nayar
Executive Chairperson, CEO & Managing Director
Mumbai, November 14, 2021



S.R. Batliboi & Associates LLP

Chartered Accountants

**12th Floor, The Ruby,
29, Senapati Bapat Marg, Dadar (West)
Mumbai – 400028**

V. C. Shah & Co.

Chartered Accountants

**205-206 Regent Chambers, 2nd Floor,
Jamnalal Bajaj Road, 208 Nariman Point,
Mumbai – 400021**

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to

The Board of Directors FSN E-Commerce Ventures Limited

(formerly known as FSN E-Commerce Ventures Private Limited)

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of FSN E-Commerce Ventures Limited (formerly known as FSN E-Commerce Ventures Private Limited) (the "Company") for the quarter ended September 30, 2021 and year to date from April 01, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the standalone figures for the financial results for the corresponding quarter ended September 30, 2020 and the financial result including cash flow for year to date from April 1, 2020 to September 30, 2020, as reported in these Unaudited Standalone Financial Results have been approved by the Board of Directors of the Company but have not been subject to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We have not audited or reviewed the comparative financial information appearing in the Statement of the corresponding quarter ended and half year ended September 30, 2020 which have been prepared solely based on the information compiled by the management and has been approved by the Board of Directors. Further, we report that the figures for the quarter ended September 30, 2021 represent the derived figures between the reviewed figures in respect of the period from April 1, 2021 to September 30, 2021 and the figures for the quarter ended June 30, 2021, which were subject to audit.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number:
101049W/E300004



Per Vineet Kedia
Partner
Membership Number: 212230
UDIN: 21212230AAAAEL5986
Place of Signature: Mumbai
Date: November 14, 2021



For **V.C. Shah & Co.**
Chartered Accountants
ICAI Firm Registration Number:
109818W



Per A.N. Shah
Partner
Membership Number: 42469
UDIN: 21042649AABKOH8587
Place of Signature: Mumbai
Date: November 14, 2021



FSN E-Commerce Ventures Limited (formerly known as FSN E-Commerce Ventures Private Limited)

CIN: U52600MH2012PLC230136

Regd. Office: 104, Vasan Udyog Bhavan, Sun Mill compound, Tulsi Pipe Road, Lower Parel, Mumbai - 400013.

Unaudited Financial Results for the Quarter/Half year ended 30 September, 2021

(Rs in Million)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
	INCOME						
	Revenue from operations	493.85	434.88	406.12	928.73	639.22	1,458.13
	Other income	205.77	189.22	146.12	394.99	251.49	602.50
I	TOTAL INCOME	699.62	624.10	552.24	1,323.72	890.71	2,060.63
	EXPENSES						
	Cost of material consumed	146.59	163.22	1.68	309.81	23.22	280.85
	Purchase of traded goods	36.38	12.00	72.67	48.38	119.98	204.84
	Changes in inventories of finished goods and stock-in-Trade	(18.32)	(21.62)	73.99	(39.94)	132.78	158.29
	Employee benefits expense	66.18	57.40	67.74	123.58	102.87	190.62
	Finance costs	14.11	13.66	10.27	27.77	21.37	41.21
	Depreciation and amortisation expense	11.33	11.17	20.34	22.50	37.75	84.27
	Other expenses	210.82	135.91	191.75	346.73	287.36	652.29
II	TOTAL EXPENSES	467.09	371.74	438.44	838.83	725.33	1,612.37
III	Profit / (Loss) before tax (I - II)	232.53	252.36	113.80	484.89	165.38	448.26
	Tax expense / (income) :						
	Current tax	-	-	-	-	-	-
	Deferred tax	49.97	53.96	20.01	103.93	30.88	86.38
IV	Total tax expense / (income)	49.97	53.96	20.01	103.93	30.88	86.38
V	Profit / (Loss) after tax (III - IV)	182.56	198.40	93.79	380.96	134.50	361.88
	Other Comprehensive Income ("OCI")						
	Items that will not be reclassified to profit or loss						
	Remeasurements of defined benefit liability	0.72	1.41	-	2.13	0.06	(2.38)
	Income tax effect on above	(0.18)	(0.36)	-	(0.54)	-	0.60
	Fair valuation of investments measured through OCI	-	(12.92)	-	(12.92)	-	(24.84)
	Income tax effect on above	-	3.25	-	3.25	-	6.25
VI	Total Other Comprehensive Income/(Loss)	0.54	(8.62)	-	(8.08)	0.06	(20.37)
VII	Total Comprehensive Income/(Loss) (V+VI)	183.10	189.78	93.79	372.88	134.56	341.51
VIII	Paid-up equity share capital	467.33	154.76	147.33	467.33	147.33	150.57
	Face value Rs. (Refer Note 2)	1.00	10.00	10.00	1.00	10.00	10.00
IX	Other Equity for the year						5,460.91
	Earnings per equity share face value of Rs. 1/- each (not annualised for the quarter/half year)						
	Basic (In Rs)	0.40	0.45	0.21	0.83	0.31	0.81
	Diluted (In Rs)	0.39	0.43	0.20	0.82	0.29	0.78



Notes:

1. The above Unaudited Standalone Financial Results of the Company for the quarter and half year ended September 30, 2021 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. These financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 14, 2021.
2. Pursuant to the approval of the shareholders in their meeting held on July 16, 2021, the Company, on July 22, 2021, sub-divided one equity share of face value of Rs. 10 each into ten equity shares of face value of Re. 1 each and allotted 311,357,900 ordinary shares of face value of Re. 1 each as fully paid up bonus shares in proportion of two bonus shares for every one existing fully paid up equity share of face value of Re. 1 each held as on the Record Date i.e. July 15, 2021.
3. On September 28, 2021, the Company has acquired 51% stake in Dot & Key Wellness Private Limited (Dot & Key) for a consideration of Rs. 969 Million. Accordingly, effective such date Dot & Key has become a subsidiary of the Company. Further, the Promoter shareholders of Dot & Key (NCI holder of the subsidiary) have Put Option for acquisition of incremental stake upto 49% by the Company at a value to be determined as per the terms of Shareholders Agreement for consideration not exceeding Rs. 1,530 Million.
4. Subsequent to the Balance Sheet date, the Company has completed its Initial Public Offer (IPO) of 47,575,326 equity shares of face value of Re. 1 each at an issue price of Rs. 1,125 per share (including a share premium of Rs. 1,124 per share). A discount of Rs. 100 per share was offered to eligible employees bidding in the employee's reservation portion of 250,000 equity shares. The issue comprised of a fresh issue of 5,602,666 equity shares aggregating to Rs. 6,300 Million and offer for sale of 41,972,660 equity shares by selling shareholders aggregating to Rs. 47,197 Million. The Company will provide an update on the utilisation of IPO proceeds towards the objects of the fresh issue effective next reporting period based on actual utilisation of funds. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 10, 2021. Accordingly, the financial results for the quarter and half year ended September 30, 2021 are drawn up for the first-time in accordance with the SEBI listing regulations.
5. The Company is engaged in the business of selling beauty, personal care, fashion products and other related products and services through various platforms and the Group's Chief Operating Decision Makers (CODM) reviews and allocates resources based on Omni business and Omni channel strategy, which in the terms of Ind AS 108 on 'Operating Segments' constitutes a single reporting segment. Hence, no separate disclosure is required for segments.
6. The Company has granted 1.7 Million stock options under the employee stock option scheme - ESOS 2012 and ESOS 2017, as approved by the Board of Directors of the Company, to the eligible employees of the Company and its subsidiaries.
7. The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial results, including but not limited to its assessment of, liquidity and going concern assumptions, recoverable values of its financial and non-financial assets, impact on revenue and cost, impact on leases, and impact on investment in subsidiaries. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial results and believes that the impact of COVID-19 is not material to these financial results and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial results may differ from that estimated as at the date of approval of these financial results owing to the nature and duration



8. Statement of Assets and Liabilities:

Particulars	(Rs. in Million)	
	As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	71.26	61.36
Right of use assets	59.06	55.07
Intangible assets	9.02	12.56
Financial assets		
Investments	3,086.65	695.80
Loans	1,890.89	2,088.64
Other financial assets	183.04	140.51
Deferred tax assets (net)	97.00	198.22
Non current tax assets (net)	106.93	65.32
Total non-current assets	5,503.85	3,317.48
Current assets		
Inventories	401.38	332.18
Financial assets		
Trade receivables	324.22	637.22
Cash and cash equivalents	921.93	312.83
Bank balance other than cash and cash equivalents	1,563.71	1,610.19
Other financial assets	700.19	102.85
Other current assets	171.46	153.65
Total current assets	4,082.89	3,148.93
Total assets	9,586.74	6,466.41
Equity and liabilities		
Equity		
Equity share capital	467.33	150.57
Other equity	8,083.51	5,460.91
Total equity	8,550.84	5,611.48
Non-current liabilities:		
Financial liabilities		
Lease Liabilities	151.21	162.51
Long-term provisions	6.28	9.40
Total non-current liabilities	157.49	171.91
Current liabilities:		
Financial liabilities		
Borrowings	501.89	243.54
Lease liabilities	54.41	51.25
Trade payables		
-Total outstanding dues of Micro enterprise and small enterprises	22.62	15.69
-Total outstanding dues of creditors other than Micro enterprises and small enterprises	123.04	98.23
Other financial liabilities	135.71	176.94
Contract liabilities	1.17	0.42
Short-term provisions	17.49	17.21
Other current liabilities	22.08	79.74
Total current liabilities	878.41	683.02
Total liabilities	1,035.90	854.93
Total equity and liabilities	9,586.74	6,466.41



9. Statement of Cash Flow:

Rs in Millions		
Particulars	For the half year ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)
Operating activities		
Net profit before tax as per Statement of profit & loss	484.89	165.38
Adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation of property, plant & equipment and right of use assets	17.67	19.34
Amortisation of intangible assets	4.83	18.41
Finance costs	27.77	21.37
Foreign exchange (gain)/loss	(1.13)	0.37
Share Based payment expense	12.94	0.94
Provision for Gratuity expense	(1.25)	2.72
Provision for compensated absences expense	2.87	6.47
Commission on financial guarantees	(37.48)	(31.20)
Interest income	(173.38)	(117.35)
Operating profit before working capital changes	337.73	86.45
Working capital Adjustments:		
(Increase)/decrease in trade receivables	313.01	20.95
(Increase)/decrease in inventories	(69.20)	152.85
(Increase)/decrease in current financial asset	(586.35)	(587.75)
(Increase) decrease in non-current financial assets	15.57	(16.05)
(Increase) decrease in other current assets	(17.81)	110.54
Increase/(decrease) in trade payables	32.87	(226.31)
Increase/(decrease) in provisions	(2.33)	(2.04)
Increase/(decrease) in current financial liabilities	(26.86)	39.82
Increase/(decrease) in other current liabilities	(56.91)	(63.33)
Cash used in operations	(60.26)	(484.92)
Payment of taxes (net)	(41.61)	(0.39)
Net cash flow used in operating activities (A)	(101.87)	(485.31)
Investing activities		
Investment in subsidiaries	(2,269.10)	-
Loan to subsidiaries	127.99	(762.92)
Purchase of property, plant and equipment, intangible assets including movement in CWIP and capital creditors (net of proceeds from sales)	(13.45)	(15.40)
(Investment in) redemption of fixed deposits	(11.61)	(612.16)
Interest Received	162.36	94.30
Net cash flows used in investing activities (B)	(2,003.81)	(1,296.18)
Financing activities		
Proceeds from issue of share capital	2,509.10	892.49
Proceeds from/(repayment of) current borrowings (net)	258.36	(4.43)
Interest paid	(17.76)	(16.50)
Principal payment of lease liabilities	(24.90)	(22.74)
Interest expenses on lease liabilities	(10.02)	(4.88)
Net cash flows from financing activities (C)	2,714.78	843.96
Net increase / (decrease) in cash and cash equivalents (A+B+C)	609.10	(937.53)
Cash and cash equivalents at the beginning of the year	312.83	955.29
Cash and cash equivalents at the year end	921.93	17.76



10. The financial results and other financial information for the quarter and half year ended September 30, 2020 and statement of cash flow for the half year ended September 30, 2020 have not been audited or reviewed by our statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results for these periods provide a true and fair view of the Company's affairs.
11. Previous period figures have been regrouped wherever found necessary, to conform to current period classification.

FSN E-Commerce Ventures Limited
(formerly known as FSN E-Commerce Ventures Private Limited)

Falguni Nayar

Falguni Nayar
Executive Chairperson, CEO & Managing Director
Mumbai, November 14, 2021

