NYKAA

BUILDING INDIA'S

LEADING LIFESTYLE PLATFORMS



FSN E-COMMERCE VENTURES LIMITED

INTEGRATED REPORT | 2025-26

BEAUTY
REDEFINING BEAUTY
FOR EVERY YOU

FASHION
CURATING STYLE
THAT INSPIRES

01-05
Setting the Context
02 Prelude
04 About the Report

06-21
Welcome to Nykaa
06 About Us
08 Beauty Brandscape
14 Fashion Brandscape

22-41
Performance of the Fiscal
22 CEO's Commentary
28 Message from the CFO
32 Key Performance Indicators
34 Beauty Review
38 Fashion & House of Nykaa Review

42-63
Growth Enablers
42 Omnichannel Presence
48 Consumer Connections
52 Portfolio Expansion
58 Technology & Digital

64-77
Value Creation Approach
64 Industry Trends
70 Value Creation Model
72 Strategic Priorities
74 Stakeholder Engagement & Materiality

78-113
Value Delivered to Stakeholders
80 Investors
84 Customers
90 Business Partners
94 Regulators
100 Employees
106 Communities

114-133
Sustainability at Nykaa
116 Environment
122 Social
128 Governance

134-143
Governance Framework
134 Corporate Governance
140 Board of Directors
142 Core Management Team

144-145
Awards & Accolades

146-147
GRI Content Index

148-199
Management Discussion and Analysis

200-302
Statutory Reports

303-450
Financial Statements
303 Standalone
377 Consolidated

451-463
Notice of AGM



INSIDE THIS REPORT



Learn more about us at
www.nykaa.com

Financial Performance Snapshot

▲ 28%
₹19,963 cr
Gross Merchandise Value (GMV)

▲ 26%
₹10,022 cr
Net Revenue

▲ 30% ▲ 45.1%
₹4,516 cr
Gross Profit

▲ 59% ▲ 7.5%
₹752 cr
EBITDA

▲ 183% ▲ 2.0%
₹204 cr
PAT

▲ YoY Growth ▲ % of NR

Driving Operational Momentum

55 mn+
Cumulative customer base
▲ 31%

10,000+
Beauty and Fashion brands [~1,500 new brands launched in FY2026 - highest ever in a year]

313
Beauty retail stores- Opened a record 76 new stores during FY2026

13
House of Nykaa brands across Beauty and Fashion

~5 lakhs
Registered retailers served via Superstore across 1,200 cities

Prelude



BUILDING INDIA'S LEADING LIFESTYLE PLATFORMS



India's lifestyle landscape is entering a defining era. Rising aspirations, digital-first discovery and an increasingly expressive generation are transforming consumption into a reflection of identity, individuality and everyday inspiration. Consumers are no longer seeking products alone. They are choosing platforms that curate possibilities, shape preferences and enrich every stage of their lifestyle journey.

Nykaa stands at the centre of this transformation. What began as India's trusted beauty destination has evolved into an integrated lifestyle ecosystem spanning beauty, fashion, wellness and beyond. Powered by an unrivalled portfolio of brands, owned labels, immersive content, intelligent technology and a seamlessly connected omnichannel network, the platforms that inspire discovery while enabling every consumer to shop with confidence, convenience and delight.

Every interaction strengthens a larger ecosystem where consumers, creators and brand partners grow together. Every innovation deepens personalisation. Every retail expansion, fulfilment investment and technology enhancement elevates the experience. Every new category broadens the possibilities of self-expression.

Nykaa is helping shape India's lifestyle revolution. By bringing together aspiration, innovation and trust on our platforms, we are creating a connected lifestyle ecosystem where every discovery inspires confidence, every experience builds loyalty and every choice enables millions to express who they are.



About the Report

INTRODUCTION TO THE REPORT

FSN E-Commerce Ventures Limited (Nykaa) is pleased to present its Integrated Annual Report for FY2026. We continue to be guided by the principles of Integrated Reporting, providing a comprehensive overview of our strategy, performance, governance framework and approach to long-term value creation in a dynamic and evolving consumer landscape.

As India's leading omnichannel beauty and lifestyle destination, we continue to build meaningful connections with our stakeholders. This Report outlines how we leverage our differentiated omnichannel model, technology capabilities, brand ecosystem and customer-centric approach to create sustainable value while navigating emerging opportunities and challenges.

Prepared in alignment with the Integrated Reporting Framework under the IFRS Foundation, the Report presents a balanced assessment of our operating environment, strategic priorities, business performance, stakeholder engagement, material matters and risk management practices.

This Report also reflects our commitment to creating value beyond financial outcomes through innovation, customer trust, responsible business practices and a strong focus on environmental, social and governance (ESG) priorities. Through transparent and meaningful disclosures, we seek to provide stakeholders with a clear understanding of our progress, resilience and long-term growth potential.

Reporting Scope and Boundary

This Report presents information relating to FSN E-Commerce Ventures Limited (Nykaa), including its standalone operations and material subsidiary companies.

Reporting Period

April 1, 2025 to March 31, 2026, unless otherwise stated.

Reporting Framework, Standards and Guidelines

This report has been prepared following the <IR> framework published by the International Financial Reporting Standards Foundation (IFRS). It also aligns with the relevant United Nations Sustainable Development Goals (UN SDGs). The financial and statutory information presented in this report complies with the following regulations:

- The Companies Act, 2013 (and the associated Rules)
- National Guidelines on Responsible Business Conduct (NGRBC)
- Indian Accounting Standards (Ind AS)
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- The Secretarial Standards issued by the Institute of Company Secretaries of India

The non-financial performance is disclosed in alignment with the Global Reporting Initiative (GRI) 2021. In addition, this report complies with the requirements of reporting frameworks and standards such as Business Responsibility and Sustainability Report (BRSR) framework mandated by the Securities and Exchange Board of India (SEBI).

Materiality

We apply the principle of materiality in assessing which information is to be included in our Integrated Report.

Top Priority Material Issues

Consumer Financial Protection → Pg 81	**Human Capital Development** → Pg 123
Privacy and Data Security → Pg 127	**Transparent Marketing and Labelling** → Pg 132 and 133
Product Safety and Quality → Pg 133	**Labour Management** → Pg 133
Business Ethics and Values → Pg 138	**Raw Materials/ Product Sourcing** → Pg 132

Key Stakeholders

- **Investors** → Pg 80
- **Customers** → Pg 84
- **Business Partners** → Pg 90
- **Regulators** → Pg 94
- **Employees** → Pg 100
- **Communities** → Pg 106

Strategic Priorities

- Driving customer acquisition/ retention, and premiumisation across the funnel journey
- Deep relationships with a diverse set of domestic and international brands
- Penetrating across the value chain and channels to address the larger TAM
- Creating, acquiring and scaling a portfolio of independent and new-age consumer-first brands
- Developing new ways of selling and a holistic consumer connection

Fair Usage of Third-Party Trademarks

All third-party trademarks, brand names and logos referenced in this Report remain the property of their respective owners. Any reference to such trademarks is made solely for identification purposes in connection with our business relationships, partnerships, brand collaborations or distribution arrangements and does not imply ownership or endorsement. Such usage is considered fair use under applicable trademark laws.

Responsibility Statement

We are committed to maintaining the highest standards of integrity, transparency and accuracy in our disclosures. The management has exercised due care in the preparation of this Integrated Annual Report to ensure that it presents a balanced and reliable assessment of our business, strategy, performance, governance practices and material matters relevant to stakeholders.

Assurance

The financial statements included in this Report have been audited by our statutory auditors, S.R. Batliboi & Associates LLP, whose Independent Auditor's Report forms part of this Annual Report.

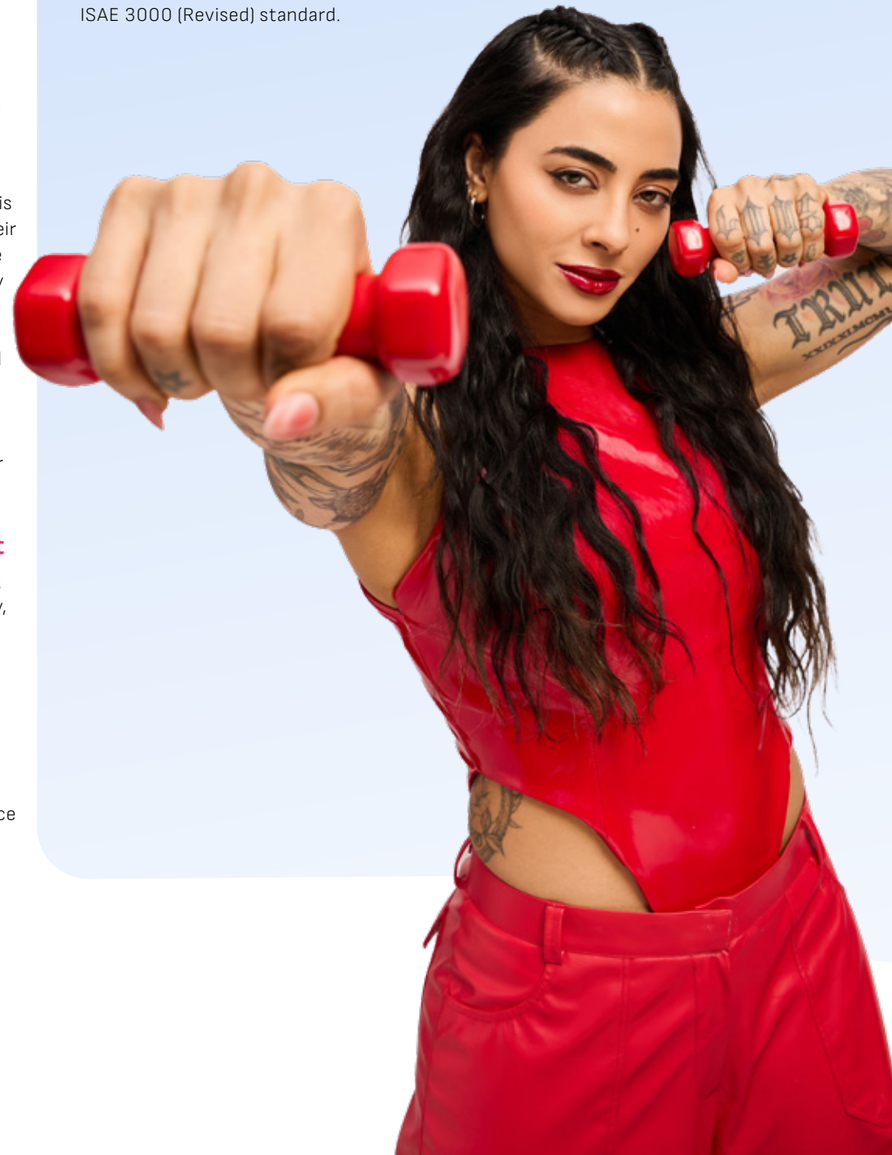
Reasonable assurance has been provided by TUV India Private Limited for the BRSR Core attributes in accordance with the guidelines issued by the Securities and Exchange Board of India (SEBI). The assurance was conducted in accordance with the ISAE 3000 (Revised) standard.

Refer to the Independent Auditor's Report on → Pg 303 & 377

Refer to the Report issued by TUV on → Pg 297

Feedback

We welcome your feedback, comments and suggestions. For any queries regarding this Report, please write to us at: **nykaacompanysecretary@nykaa.com**



About Us

We are India's leading omnichannel beauty and lifestyle destination, built at the intersection of commerce, content and community. Since inception, we have played an active role in shaping how Indian consumers discover, experience and purchase beauty and fashion, bringing together authentic brands, curated assortments, expert-led content and engaging retail experiences across touchpoints.

With a strong digital presence, an expanding retail network and deep consumer understanding, we enable millions of consumers to explore global, domestic and emerging brands across beauty, fashion and lifestyle categories. We also support brand partners and retailers with technology, market insights and data-driven solutions, extending our reach across India and creating value across the ecosystem.

Complementing our platform is House of Nykaa, a growing portfolio of consumer-led brands built around evolving preferences, category opportunities and unmet market needs. Anchored in innovation, quality and a deep understanding of Indian consumers, these brands strengthen our ability to serve more occasions, price points and aspirations while deepening our connection with consumers.



SHAPING INDIA'S BEAUTY AND LIFESTYLE CHOICES

Our Vision

Bring inspiration and joy to people, everywhere, everyday.

Our Mission

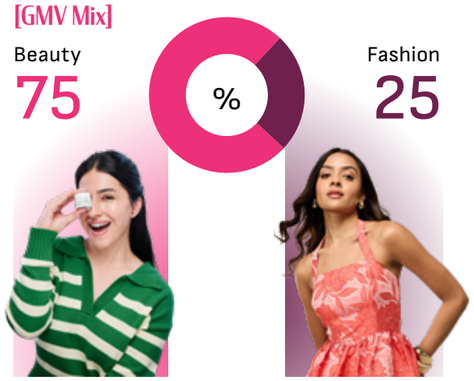
To create a world where our consumers have access to a finely curated, authentic assortment of products and services that delight and elevate the human spirit.

Our Values

Be bold and be good	One Nykaa
Be better everyday	A culture of belonging
Be the customer's champion	Sustainability in every action

Our Business Segments

[GMV Mix]



Winning at Scale

$2.1 bn [₹19,963 cr]
GMV across all platforms

Largest beauty retailer
Delivering growth at 25%+ CAGR

Largest
Specialty beauty retail store network with 313 stores across 99 cities

$1= ₹95

A Scalable Omnichannel Ecosystem

Our integrated omnichannel ecosystem continues to strengthen through disciplined investments in retail, digital capabilities, owned brands and partner networks. By expanding consumer reach, scaling our portfolio and deepening B2B presence, we are building a differentiated platform that drives customer engagement and supports growth.

Expanding Consumer Reach

Our cumulative customer base grew to more than 55 million, up from 42 million in the previous year, supported by a strong base of 45 million beauty and 11 million fashion customers.

Strengthening Omnichannel Presence

We expanded our retail footprint to 313 beauty stores across 99 cities, adding a record 76 new stores during FY2026, reaffirming the scalability and effectiveness of our omnichannel model.

Curating a World-Class Brand Portfolio

Our platform now offers 10,000+ global and domestic brands, strengthened by the addition of 200+ international beauty brands, including exclusive launches such as Chanel Beauty, Armani Beauty, Kylie Cosmetics, SK-II and La Roche-Posay.

Expanding the B2B Ecosystem

Superstore by Nykaa strengthened its reach across the unorganised beauty retail market, serving nearly 5,00,000 onboarded retailers across 1,200 cities and delivering 26% YoY GMV growth to ₹1,187 crores.

Scaling House of Nykaa

Our portfolio of consumer brands delivered ₹3,176 crores in GMV, growing 49% YoY. House of Nykaa Beauty contributed ₹2,788 crores, growing nearly 65% YoY and adding ₹1,000+ crores of incremental GMV during the year.

Beauty Brandscape



CELEBRATING EVERY EXPRESSION OF BEAUTY

India Discovers, Experiences and Celebrates Beauty

AESTURA · BOBBI BROWN · benefit · CHANEL · CharlotteTilbury · CLINIQUE · d'you

DOT & KEY SKINCARE · earth rhythm · ESTÉE LAUDER · Eucerin · FENTY BEAUTY BY RIHANNA · foxtale · FOREST ESSENTIALS

ghd good hair day · HUDABEAUTY · HYPHEN · Jean Paul GAULTIER · KAMA AYURVEDA · Kay Beauty · KENZO

KYLIE COSMETICS BY KYLIE JENNER · L'ORÉAL PARIS · L'ORÉAL PROFESSIONNEL PARIS · LOVE beauty AND planet · MAC · MAYBELLINE NEW YORK

NARS · Neutrogena · NIVEA · numbuzin · NYKAA COLLECTION · NYKAA Cosmetics · NYKAA WANDERLUST

NYX PROFESSIONAL MAKEUP · plum · SHISEIDO · UD URBAN DECAY · YVES SAINT LAURENT BEAUTÉ

Portfolio Built around Beauty

#1
Beauty specialty omnichannel retailer in the country

4,400+
Beauty and personal care brands

*All brand count as on March 31, 2026.

Beauty Brandscape

INSPIRING EVERY BEAUTY JOURNEY

Our beauty business brings scale, engagement and profitability together through a deeply specialised platform. With strong brand partnerships, omnichannel access and growing customer participation, we continue to expand the category while improving the quality of growth. Backed by a seamless omnichannel presence, this approach enables us to deepen consumer relationships, expand access to beauty and deliver personalised experiences that resonate across diverse consumers.

Beauty Delivers Superior Growth

₹14,954 cr
GMV
▲ 27% 2x

₹8,504 cr
NSV*
▲ 27% 2x

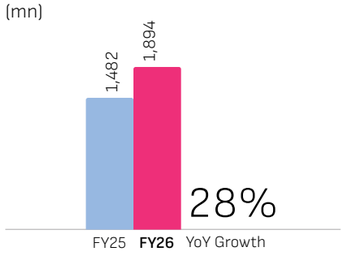
9.6%
EBITDA margin (% of NSV)
▲ 74 bps

45 mn
Cumulative customer base and counting

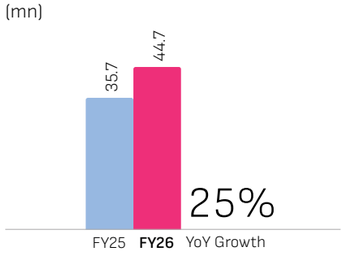
▲ YoY Growth, ■ 3-year growth
*Net Sales Value

Driving Growth through Marketing Efficiency

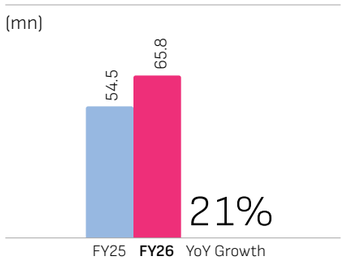
Visits



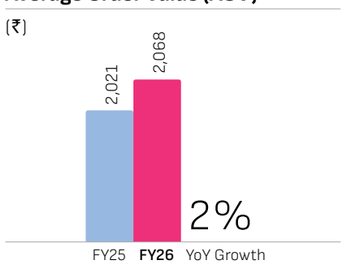
Monthly Average Unique Visitors



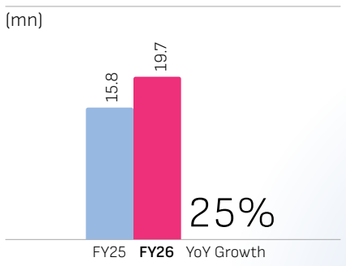
Orders



Average Order Value (AOV)



Annual Unique Transacting Customers (AUTC)





Trusted Partner for All Iconic Beauty Groups Globally

L'ORÉAL	ESTĒE LAUDER	Hindustan Unilever Limited	PUIG	P&G	LVMH
27 Brands	11 Brands	24 Brands	8 Brands	15 Brands	6 Brands

Beiersdorf	Unilever	interparfums	SHISEIDO	AMOREPACIFIC	COTY SINCE 1904	kenvue
4 Brands	3 Brands	15 Brands	3 Brands	8 Brands	16 Brands	8 Brands

Partner of Choice for Global Beauty Brands

From Korean beauty pioneers and clinically backed dermocosmetic brands to iconic luxury houses and cult-favourite labels, brands across categories, price points and geographies have chosen Nykaa as their trusted growth partner in India. Leveraging its deep consumer insights, differentiated omnichannel ecosystem and proven brand-building capabilities, Nykaa enables global brands to build awareness, drive discovery and scale their presence in one of the world's fastest-growing beauty markets.

FY2026 marked Nykaa's strongest year for brand launches. Leading beauty groups such as L'Oréal, Estée Lauder, Shiseido, Puig and Amorepacific continued to partner with Nykaa, while marquee launches including Chanel Beauty & Fragrance, Armani Beauty, Maison Margiela Fragrances, Kylie Cosmetics, SK-II, Paula's Choice, La Roche-Posay, Anua and IT Cosmetics further reinforced its position as the preferred gateway for global beauty brands entering and expanding in India.

200+
New brands launched in FY2026

Beauty's New Growth Era

Rising aspirations, increasing affordability and the rapid adoption of digital commerce are reshaping India's beauty landscape. A growing base of educated, financially independent and digitally connected consumers is driving stronger demand for beauty products and experiences. At the same time, online platforms are making discovery, access and experimentation easier than ever before, expanding category penetration and accelerating market growth.

Personalisation Meets Premiumisation

As beauty consumption becomes increasingly personalised, consumers are seeking trusted platforms that combine expert guidance, curated assortments and seamless accessibility. This shift is accelerating premiumisation across the category and reshaping how consumers discover and engage with beauty. Nykaa continues to strengthen its leadership by introducing leading global luxury and couture brands, expanding its Korean Beauty and dermocosmetic portfolio, scaling its premium retail footprint with 15 new Nykaa Luxe stores and launching dedicated Perfumery stores for luxury fragrances. At the same time, Nykaa Now is redefining convenience by enabling rapid delivery, increasing shopping frequency and reinforcing everyday consumer engagement across the beauty ecosystem.

Expanding Beauty Penetration

We continue to expand beauty adoption across India by deepening our reach across geographies and consumer segments. During the year, our Beauty business grew its Cumulative Customer Base by 30% to 45 million, creating India's largest and most valuable beauty customer base. Tier 2 and Tier 3 cities now contribute nearly 60% of Beauty sales, underscoring the growing appeal of premium beauty beyond metropolitan markets. At the same time, we are strengthening engagement with Gen Z and Gen Alpha, our highest lifetime value customer cohorts, through the Campus Ambassador Programme, campus activation programme and India's beauty and lifestyle playground 'Nykaaland' backed by India's largest and most engaged beauty and lifestyle community, we continue to drive discovery, deepen engagement and build customer loyalty.

Welcoming Deepika Padukone to the Nykaa Family

A global icon with deep Indian roots, Deepika Padukone represents confidence, authenticity and self-expression. Her association with Nykaa strengthens the brand's aspiration to inspire millions of consumers on their unique beauty journeys.

Beauty Brandscape

Core Capabilities Powering Growth

Brand-Building Excellence

Our brand-building playbook combines deep consumer insights, innovation, in-house R&D, packaging expertise and 360° marketing capabilities to create relevant, high-growth beauty brands. By identifying emerging trends, accelerating product development and delivering compelling consumer experiences, we strengthen brand equity, enhance market relevance and build scalable brands that drive sustainable growth across categories and consumer segments.

Portfolio-Led Strategy

Our diversified portfolio serves diverse consumer needs, price points and beauty categories while strengthening value-chain presence. We lead in makeup through Nykaa Cosmetics and Kay Beauty, hold a strong skincare position with Dot & Key and Earth Rhythm, invest in Wanderlust and Perfumery, and expand through the Nykaa Collection and multi-category offerings to address evolving consumer preferences.



Scaling our Premium Beauty Segment

#1
Nykaa is India's leading omnichannel destination for premium beauty

~5x
Higher annual spending by Nykaa customers compared to the India average spend

30%+
3-yr CAGR of premium beauty on Nykaa

1/3rd
Of beauty omnichannel GMV in FY2026

We are accelerating premium beauty growth by expanding our portfolio of luxury, prestige, Korean and clinically backed beauty brands while deepening engagement with aspirational consumers. Supported by strong global brand partnerships, differentiated omnichannel experiences and a growing premium customer base, we continue to drive premiumisation and strengthen our leadership in India's beauty market.

House of Nykaa – Beauty



House of Nykaa's beauty portfolio is structured to support brands at different stages of growth. Established brands such as Dot & Key, Kay Beauty and Nykaa Cosmetics continue to sustain momentum through targeted marketing investments, product innovation and channel expansion. At the same time, emerging brands including Nykaa Wanderlust, Maison Moi, Earth Rhythm and Nykaa Collection are focused on building awareness, strengthening brand equity and expanding category depth.

FY2026 was a standout year for the portfolio. Dot & Key further strengthened its leadership in sunscreens and moisturisers, while Kay Beauty was recognised among India's leading makeup brands and expanded its international presence through a successful entry into the UK market with Space NK. Innovation remained a key growth driver, with new launches contributing meaningfully to Beauty GMV, complemented by impactful collaborations and differentiated consumer experiences.

Supported by a broad omnichannel footprint spanning digital and physical retail, brand-owned channels, general trade and marketplaces, House of Nykaa brands are able to engage consumers across multiple touchpoints and occasions. The portfolio is powered by a strong growth flywheel anchored in high-quality innovation, deep consumer insights, portfolio expansion and sustained demand across channels.

8
New age consumer brands

150K+
Physical points of sale

17 mn+
Customers served till date

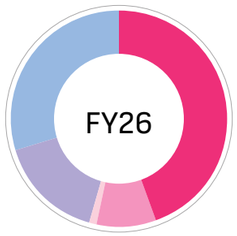
₹2,788 cr
GMV ~4x in last 3 years

Content IPs on the Nykaa Platform

NYKAA LUXE WEEKENDER
NYKAA Sun Shield Shack
HEALTHY HAIR HABITS BY NYKAA
NEW AT NYKAA
NYKAA LUXE STORIES
NYKAA BEST IN BEAUTY AWARDS 2026
GET READY WITH NYKAA
SKINCARE FOR EVERY ST(AGE)
NYKAA CONCERN WEEK
NYKAA H-BEAUTY FESTIVAL
NYKAALAND
NYKAA ACADEMY
NYKAA INGREDIENT IN FOCUS

Diversified Channel Mix

Strong growth across both Nykaa and other channels, reflecting strong brand equity and consumer confidence



45%	Nykaa Online
9%	Nykaa stores
1%	Exports
16%	Nykaa b2b*
30%	Other 3P Channels

*Nykaa b2b includes Superstore and other dedicated GT/MT channels for House of Nykaa.

Fashion Brandscape



FOR EVERY MOOD, MOMENT AND MUSE

India Discovers, Experiences and Celebrates Fashion

ACCESSORIZE LONDON · adidas · ALDO · alo · Bonhomie · BONKERS CORNER
Calvin Klein · CIDER · Foot Locker · FOREVER NEW · gajra gang · GAP KIDS
GUESS · GYMSHARK · H&M · KICA · LIPSY LONDON · LITTLE MISTRESS
MICHAEL KORS · Mia by TANISHQ · miss mosa BY AARAMSHA · mokobara · NA-KD · new balance
Nike · Nykd by NYKAA · pomelo · PUMA puma.com · RARE ONES · RARE RABBIT
REVOLVE · RSVP · SKECHERS · SNITCH · Story home
TOMMY HILFIGER · TWENTY DRESSES · U.S. POLO ASSN. SINCE 1890 · VERO MODA · VICTORIA'S SECRET · WROGN

Portfolio Built around Fashion

#1
Destination for Trend-First, Style-Forward consumers

~5,700
Fashion brands across lifestyle categories

*All brand count as on March 31, 2026.

Fashion Brandscape

FASHION FORWARD, POWERED BY TECH

At Nykaa Fashion, we are creating a discovery-led destination for trend-first consumers through curated assortments, strong brand partnerships and technology-enabled experiences. By combining global, domestic and emerging brands with editorial inspiration and seamless shopping, we continue to make fashion more personal, accessible and relevant while strengthening our position as a trusted style destination.

Fashion Delivers Superior Growth

₹4,954 cr
GMV
▲ 30% 2x

₹1,447 cr
NSV*
▲ 29% 2x

11 mn
Cumulative customer base
▲ 35%

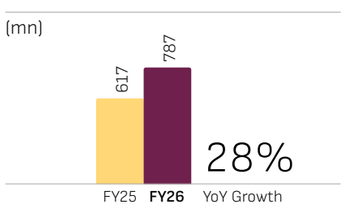
1,250+
Brands launched in FY2026

▲ YoY Growth, ■ 3-year growth
*Net Sales Value

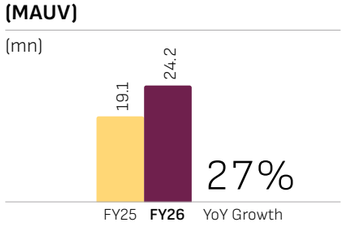
Nykaa Fashion combines global brands, homegrown labels and emerging designers to deliver a differentiated shopping experience. Partnerships with brands such as Nike and H&M expanded access to new collections, while Nykaa Muse, an AI-powered virtual try-on experience, made fashion discovery more immersive, personalised and seamless for customers across the platform.

Strong Traction in Core Platform is Visible in Improving Customer Metrics

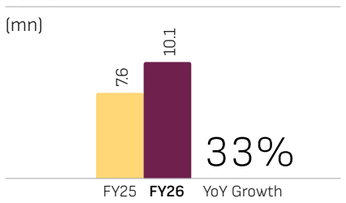
Visits



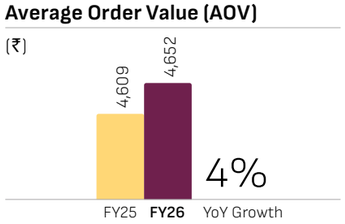
Monthly Active Unique Visitors (MAUV)



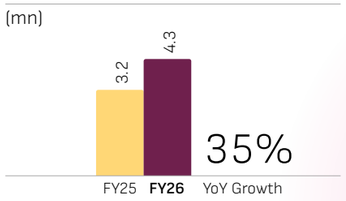
Orders



Average Order Value (AOV)



Annual Unique Transacting Customer (AUTC)





Expanding Choice, Strengthening Discovery

Nykaa Fashion meaningfully expanded its assortment during FY2026, further strengthening its position as a comprehensive fashion and lifestyle destination. The portfolio grew across all key categories, with 680+ new brands added in women's fashion, 280+ across home and accessories, 170+ in men's fashion and 120+ in kids' wear. This strategic expansion broadens customer choice across premium, contemporary and everyday segments, enhances product discovery and reinforces Nykaa Fashion's ability to meet evolving lifestyle and fashion preferences through a richer, more curated assortment.

Women

With higher disposable incomes, women are spending more on fashion that reflects their individuality and evolving lifestyles. As occasion-based shopping gains momentum, we offer curated western wear for every celebration and everyday moment.

Women Western Wear

Consumers are increasingly trading up to global and premium fashion brands, driven by rising aspirations and international exposure. Nykaa Fashion continues to expand its curated global brand portfolio to meet this evolving demand.

#1
Category on Nykaa Fashion

1,300+
Unique brands

250K+
Curated styles



Fashion Brandscape

Hidden Gems (Women Fusion and Indian wear)

Indian wear is becoming increasingly occasion-led, driven by celebrations, premiumisation and evolving consumer preferences. Through Hidden Gems, Nykaa Fashion is creating a design-first destination for artisanal and contemporary ethnic brands, strengthening its position in the growing premium occasion wear segment.

400+
Curated Indian wear brands

73K+
Indian wear styles

10%
Contribution to women Indian wear

Athleisure

Health-conscious lifestyles and the convergence of fitness and fashion are accelerating the adoption of athleisure. With activewear emerging as a high-growth category, we continue to expand its curated brand portfolio and customer proposition to capture this structural shift in consumer demand.

20%
Higher GMV growth vs platform

30%
Higher traffic growth vs platform



As luxury fashion consumption gains momentum in India, we are strengthening our premium proposition through a dedicated Luxe Store-in-Store experience. Designed as a curated destination within the Nykaa Fashion ecosystem, it will bring together leading global luxury brands and renowned Indian designers in an elevated shopping environment. The platform will enhance luxury discovery, deliver a differentiated customer experience and enable brands to tap into India's fast-growing base of affluent and aspiration-driven fashion consumers.

Men

Growing affluence and evolving lifestyle aspirations are encouraging men to invest more in fashion as a reflection of personal identity. We continue to strengthen our men's fashion proposition by expanding our curated portfolio across fashion, footwear and lifestyle categories with leading global and homegrown brands. Supported by differentiated shopping experiences and discovery-led merchandising, we are attracting a rapidly growing base of premium male customers and accelerating the growth of our men's business.

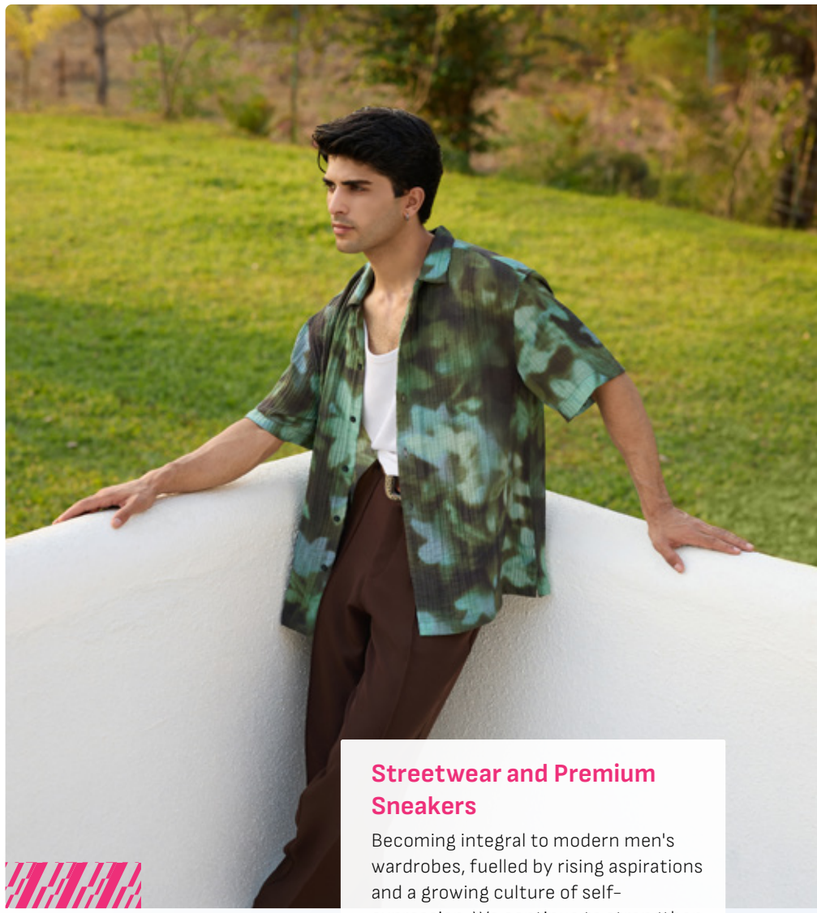
75%+
YoY growth in men's GMV

1,200+
Brands across fashion and footwear

300K+
Curated styles for the modern male shopper

D2C brands

The shift towards casual fashion is accelerating, with specialist D2C brands gaining scale and consumer relevance. We continue to expand our assortment with leading challenger brands to stay ahead of changing preferences. Through differentiated launch playbooks, discovery-led merchandising and strong consumer engagement, we help emerging brands scale rapidly while expanding customer choice across high-growth fashion categories.



30+
D2C brands featured among the top 100 men's brands

20%
Higher growth delivered by digital-first brands compared to legacy fashion brands

Streetwear and Premium Sneakers

Becoming integral to modern men's wardrobes, fuelled by rising aspirations and a growing culture of self-expression. We continue to strengthen our portfolio with leading sneaker and streetwear brands to capture this rapidly expanding category.

80%+
YoY growth in footwear GMV

25K+
Curated footwear styles

Fashion Brandscape



Kids

India's kidswear market is rapidly premiumising, driven by evolving parenting preferences and a growing shift towards branded, design-led products. We are expanding our curated portfolio of leading kidswear brands to serve the changing needs of modern families.

We are reimagining the kids shopping journey around the evolving needs of new-age parents. Through intuitive navigation, age- and gender-led discovery, dedicated category experiences and curated merchandising, we are making it easier for parents to discover the right products while delivering a more engaging and personalised shopping experience.

50%+
YoY GMV growth

70%+
YoY assortment growth

150+
Brands added during FY2026

Home

Consumers are investing more in creating personalised living spaces, driven by premium housing, rising aspirations and a growing focus on home aesthetics. We are redefining home shopping through inspiration-led discovery, curated collections and immersive visual merchandising. Seasonal edits, trend-led curation and intuitive navigation make it easier for customers to create spaces that reflect their personal style.

500+
Home brands

33%
YoY growth in GMV

100+
Brands added during FY2026

50%+
YoY growth in new customer acquisition

House of Nykaa – Fashion

Our House of Nykaa fashion portfolio caters to evolving consumer preferences through a balanced mix of established and emerging brands. Nykd strengthened its position during the year by expanding beyond its core lingerie category into athleisure and sleepwear, broadening its relevance across multiple lifestyle occasions. During FY2026, we also rationalised our channel strategy for House of Nykaa - Fashion brands, with focus on driving more visibility and accessibility to the brands on Nykaa Fashion Platform and scale each brand with the philosophy of bringing the curated and latest style to the Indian consumers.

5
Consumer brands

₹388 cr
GMV



CEO's Commentary



"This year, Nykaa crossed a significant milestone, with consolidated revenue crossing ₹10,000 crores. Our growth continued to be accompanied by expanding profitability and stronger capital efficiency. As consumer expectations continue to evolve, our focus remains unchanged: to delight customers with innovation, authenticity and seamless experiences, while building a business that can create value over decades."

Falguni Nayar
Executive Chairperson, Managing Director & CEO

DELIVERING COMPOUNDED GROWTH

Dear Shareholders,

There are defining moments in every company's journey when years of disciplined investments begin to reinforce one another, creating momentum that extends well beyond a single financial year. For Nykaa, FY2026 was one such year.

Over the past decade, we have focused on building enduring capabilities rather than pursuing short-term gains. We invested in technology before it became table stakes, nurtured relationships with global and homegrown brands, expanded our omnichannel footprint, built trusted consumer brands of our own, and strengthened our supply chain and distribution capabilities. These investments demanded patience, conviction and disciplined execution. Today, we are seeing them come together to create a business that is stronger, more diversified and increasingly resilient.

This year, Nykaa crossed a significant milestone, with consolidated revenue crossing ₹10,000 crores. More importantly, our growth continued to be accompanied by expanding profitability and stronger capital efficiency, reflecting the operating leverage embedded within our business model. EBITDA margins improved to 7.5%, up 155 bps YoY, while return on capital employed exceeded 21%, underscoring our commitment to creating sustainable long-term value for all stakeholders. These outcomes reaffirm our belief that profitable growth is not a trade-off, but the natural consequence of building a business with discipline.

Your Company has now served over 55 million cumulative consumers across its businesses, signifying immense consumer trust. As consumer expectations continue to evolve, our focus remains unchanged: to delight customers with innovation, authenticity and seamless experiences, while building a business that can create value over decades.

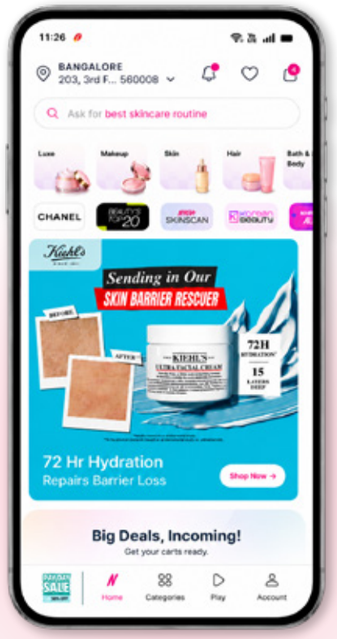
India's Multi-decadal Growth Opportunity

Our confidence in the future is underpinned by an equally compelling transformation unfolding across India. The country is entering what we believe will be one of the most significant premium consumption cycles in its history, driven by three powerful structural shifts: rising affluence, increasing discretionary spending and a digitally native consumer base.

The first is the affluence wave. Over the next decade, India's affluent and emerging household income is expected to more than double from $3 trillion to $6.5 trillion, creating a significantly larger base of consumers with the ability to spend on premium lifestyle categories.

Second, discretionary spending is set to accelerate. As incomes rise, consumers allocate a greater share of their wallets to categories that reflect aspiration and self-expression. Beauty and Fashion are no longer viewed simply as discretionary purchases, and instead have become powerful expressions of identity, confidence and self-care, expecting to remain among India's fastest-growing discretionary categories, each growing at over 12% CAGR, with the combined market projected to expand from $110 billion to more than $210 billion by FY2031.

Third, Millennials and Gen Z are the twin engines of this consumption boom, already forming over 70% of India's working population and on track to drive over 90% of Beauty and Fashion consumption by FY2031. Already 2 in every 5 new E-retail shoppers are GenZ, whose spend per shopper grows 2.5x YoY vs other shoppers, indicating higher spending ability and willingness. However, this next generation of consumers is not merely seeking products, but trusted platforms that can simplify choice, inspire discovery and deliver quality with consistency. They expect seamless experiences across digital and physical channels, personalised recommendations, authentic content and brands that resonate with their values.



CEO's Commentary

Synergistic Consumer Ecosystem

One of Nykaa's defining strengths today is the breadth of the platform we have built. What started as India's leading beauty destination has evolved into a diversified portfolio spanning B2C and B2B commerce, digital and physical retail, and owned brands, collectively addressing a $100 billion opportunity across Beauty, Fashion and Wellness.

Every business extends our ability to serve the same consumer through the capabilities we have built over the last decade, across trusted curation, deep category expertise, technology and omnichannel execution. Beauty remains our foundation and trust anchor. Fashion expands our relevance in premium lifestyle. House of Nykaa enables us to build brands rooted in consumer insight, while Superstore strengthens our relationships with retailers and brand partners by improving access across India's underserved markets. Together, these businesses create multiple avenues for growth, diversify our revenue streams and reinforce our position as a leading consumer platform for India's evolving lifestyle economy.

India's Largest Specialty Beauty Platform

Beauty remains the cornerstone of Nykaa and continues to anchor our leadership in one of India's most attractive consumer categories. India's Beauty and Personal Care market, currently valued at $23 billion, is expected to become the world's fourth largest market by FY2031, driven by three structural shifts: online beauty growing 2.5x faster than offline, beauty outpacing personal care, and per capita BPC spend nearly doubling from $16 to $30. Our own Annual Customer Value of $80 reflects the depth of engagement we have built with consumers and reinforces our position as the preferred partner for global beauty brands looking to enter and scale in India.

Our omnichannel model continues to differentiate us. Today, Nykaa operates India's largest specialty beauty retail network with 313 stores across 99 cities, seamlessly complementing our digital platform with immersive discovery, expert advice and personalised experiences. Combined with a lifestyle community of over 19 million followers, our content-led approach continues to expand the category itself. Every year, we conduct over 1,000 consumer immersions, shaping more than 15 proprietary consumer IPs, while flagship experiences such as Nykaaland, which welcomed over 30,000 attendees this year, are redefining how consumers discover brands and beauty.



At the same time, investments in AI-led experiences, from SkinScan to intelligent search and recommendations are making beauty discovery increasingly personal, intuitive and effective.

As Beauty continues to premiumise and new categories emerge, we believe Nykaa is uniquely positioned to lead this evolution, expanding the market, enabling brands to scale and delivering richer experiences for millions of consumers.

Beauty Merging with Wellness

We believe the next major opportunity in lifestyle lies at the intersection of Beauty and Wellness. Consumers are increasingly redefining beauty through the lens of overall health, with longevity and proactive wellbeing becoming central to their routines. The concept of 'inside-out beauty', where gut health, hormonal balance and cellular health are viewed as the foundation of healthy skin and graceful ageing is steadily moving into the mainstream.

This shift is already evident in consumer behaviour. Wellness today accounts for nearly 10% of discretionary spending among affluent consumers, while over 80% say they are willing to spend more on leading healthier lifestyles. With the trust we have built in beauty, our deep understanding of premium consumers and our strengths in curation, education and discovery, we believe Nykaa is uniquely positioned to lead this convergence and capture the next phase of growth in India's lifestyle market.

Fashion – A Premium Curated Experience

India's fashion market is entering a new phase, driven by premiumisation, rising affluence and evolving consumer aspirations. As consumers spend more on self-expression, occasion-led dressing and international brands, the premium online fashion segment is expected to grow at nearly 26-28% CAGR over the next 5 years, making it one of the fastest-growing lifestyle categories in the country. By FY2031, India's online fashion market is projected to reach $48 billion, with the premium mid-market emerging as the fastest-growing segment.

Nykaa Fashion was built with this discerning consumer in mind. Rather than competing on scale alone, we have focused on curation, trend-first discovery and premium brand partnerships. Independent surveys consistently rank Nykaa Fashion among the preferred platforms for discovering the latest styles and trends, while our Average Order Value of ₹4,600, around 60% higher than comparable platforms, reflects the quality of our customer base and reinforces our attractiveness to premium brand partners.

What began with 1 brand—Nykaa Cosmetics has evolved into one of India's fastest-growing digital-first beauty brand portfolios. Today, our House of Nykaa business has almost reached ₹3,200 crores in GMV, delivering ~50% YoY growth in FY2026."

During FY2026, we onboarded over 1,250 new brands, significantly strengthening our assortment across women's, men's, kids and home categories, while expanding our portfolio of international brands and occasion-led experiences. As the business scales, we continue to see improving structural profitability, supported by stronger merchandising, higher customer quality and operating leverage.
We remain confident that Nykaa Fashion is well positioned to become a meaningful long-term growth engine while staying disciplined on profitability.

Building Brands for the New Indian Consumer

One of the most profound shifts in India's beauty industry has been the emergence of a new generation of digital-first consumer brands. Discovery has moved from traditional advertising to creators and communities, while consumers increasingly seek products that are innovative, authentic and designed specifically for Indian needs. Categories that were niche a decade ago, from clinical skincare and clean beauty to specialised actives, are now becoming mainstream. Consumer baskets have doubled in category width over the last decade, creating significant headroom for innovation-led brands.

We recognised this shift early. What began with a single brand has today evolved into one of India's fastest-growing beauty brand portfolios. House of Nykaa reached nearly ₹3,200 crores in GMV this year, growing 4x over the last 3 years. Dot & Key remains India's leading skincare D2C brand, Nykaa Cosmetics trend-led launches continues to resonate with young beauty consumers, while Kay Beauty has strengthened its leadership in India and has received immense consumer love in international markets including the UK and GCC. Together, these brands reflect our conviction that products built in India are well placed for the world and earn global relevance.

CEO's Commentary

As we look ahead, our opportunity extends well beyond the categories we serve today. Whether in derma skincare, fragrances, wellness or other specialised beauty segments, we continue to see significant whitespace for innovation. Our approach remains consistent, to identify emerging consumer needs early, build differentiated products with speed and discipline, and scale them through our integrated digital, retail and distribution platform. This repeatable brand-building capability gives us confidence that House of Nykaa will remain one of our most important long-term growth engines.

Serving the Underserved via Superstore

While our consumer businesses continue to scale, we are equally excited about the opportunity to build India's largest technology-enabled beauty distribution platform. General Trade remains the backbone of Indian retail. Even by FY2031, nearly 86% of India's retail market is expected to continue flowing through neighbourhood stores, making kiranas and independent beauty retailers one of the largest underserved opportunities in the country. Yet, these retailers increasingly serve consumers whose aspirations are changing much faster than the traditional distribution systems that supply them.

Today's consumer in a Tier 3 city follows the same creators, discovers the same skincare trends and seeks the same products as a consumer in a Metro city. However, the neighbourhood retailer often lacks access to emerging brands, premium products and fast-moving beauty categories. This gap is precisely where we see a long-term opportunity, bridged by our Superstore business.

During FY2026, the business reached ₹1,187 crores in GMV, almost 4x higher than FY2023, while our retailer base expanded to nearly 500,000 onboarded retailers, growing more than 3x over the same period. What gives us confidence is not only the pace of growth, but the quality of the business we are building. Today, Superstore partners with more than 200 legacy, regional and digital-first brands, enabling them to reach retailers across categories and geographies that are often difficult to access through conventional distribution.

Technology is central to this model. As transaction volumes grow, our data enables increasingly personalised assortment recommendations, smarter inventory planning and more efficient retailer engagement. AI is beginning to further strengthen these capabilities by improving product discovery, automating replenishment and helping retailers make faster, more informed purchasing decisions. We believe this is still the early stages of the opportunity.

Superstore extends our leadership beyond consumer commerce into the broader beauty ecosystem, strengthening relationships with brands, empowering retailers and making premium beauty more accessible across India. As with every business we build, our focus remains on scaling responsibly while creating sustainable long-term value for all participants in the ecosystem.

AI as the Foundation Layer

Technology has always been foundational to Nykaa's journey. From the outset, we recognised that technology could do more than enable transactions: it could simplify discovery, build trust and create personalised experiences that are difficult to replicate. As the digital landscape continues to evolve, our focus remains on using technology not as an end in itself, but as a means to serve consumers better and build a more agile organisation.



> At Nykaa, we are building for the long term—expanding beyond consumer commerce into the broader beauty ecosystem with conviction and discipline. As our businesses scale and brand partnerships deepen, technology and AI are becoming core enablers of smarter discovery, replenishment and decision-making."

Artificial Intelligence marks the next chapter in this evolution. Over the past year, AI has increasingly become embedded across our business, not as a standalone initiative, but as an enabler across the customer journey and our operations. From improving product discovery and personalisation to optimising merchandising decisions, strengthening demand forecasting, enhancing supply chain planning and supporting customer service, AI is helping us make better decisions, respond faster and create more relevant experiences at scale. It is also enabling our teams to work more efficiently, freeing up time to focus on creativity, innovation and solving more complex business challenges. As these capabilities continue to evolve, we see AI becoming an integral layer across every aspect of our organisation, complementing human judgement while strengthening our ability to serve customers in increasingly meaningful ways.

Sustainability in Every Action

While delivering strong business outcomes remains our foremost priority, we are equally conscious of the responsibility that comes with our scale. Nykaa's success has been built through the trust of our consumers, the partnership of brands and sellers, the dedication of our employees and the support of the communities we serve. As we grow, our commitment to responsible value creation grows alongside it. We continue to strengthen our governance standards, invest in responsible operations and create opportunities that promote inclusion, entrepreneurship and sustainable livelihoods.

These priorities are not separate from our growth strategy, they are integral to building a resilient institution for the long term.

As we look ahead, we remain optimistic about the opportunities before us. India's lifestyle economy is entering a defining decade, and we believe Nykaa is well positioned to participate in and drive this growth. At the heart of this confidence are our people, whose passion, entrepreneurial mindset and relentless focus on execution have shaped Nykaa's journey over the last decade. As we continue to grow, nurturing talent, strengthening leadership and fostering a culture where our teams can innovate and thrive will remain one of our highest priorities.

The past decade was about building strong foundations. The next will be about building on them, deepening consumer relationships, strengthening our brands, expanding into new adjacencies and continuing to innovate with purpose. We remain committed to creating long-term value for all our stakeholders while staying true to the values that have guided Nykaa since its inception: to be bold and good, champion our customers, foster a culture of belonging, act as One Nykaa, strive to be better every day, and drive sustainability in every action.

We remain deeply grateful to our customers, brand partners, vendors, employees and shareholders for their continued trust and partnership. As India enters a defining decade for lifestyle consumption, we are confident in the opportunities ahead and committed to building Nykaa with the same discipline, humility and long-term conviction that have shaped our journey so far.

Warm regards,

Falguni Nayar

Executive Chairperson, Managing Director & CEO

Message from the CFO



FY2026 was a stellar year for Nykaa, defined by robust top-line momentum with consolidated GMV growing 28% to ₹19,963 crores and Revenue from Operations reaching ₹10,000 crores. This growth was matched by an exceptional 183% surge in Net Profit (PAT) to ₹204 crores, underscoring the strong scalability and efficiency of our operating model. Our disciplined focus on unit economics and capital efficiency drove a 155 bps expansion in EBITDA margin to 7.5%, bolstered by Fashion turning EBITDA positive in Q4.

P. Ganesh
Chief Financial Officer

ACCELERATING PROFITABLE GROWTH AND STRENGTHENING CAPITAL EFFICIENCY

Dear Shareholders,

When we presented our strategic financial roadmaps a year ago, we made a definitive and uncompromised commitment to our shareholders: to prove conclusively that a digital-first, customer-obsessed consumer tech platform could achieve staggering scale while unlocking deep, structural, and resilient profitability.

FY2026 delivered exactly that; it was a stellar year for Nykaa, marked by robust top-line growth, accelerating profitability, and a materially stronger balance sheet. We maintained our disciplined approach to unit economics across all businesses with an unwavering focus on capital efficiency while continuing to invest in our future growth engines. Importantly, we achieved these results while reinforcing our leadership position, deepening our customer relationships and making targeted investments that strengthen Nykaa's long-term growth trajectory.

What makes this performance particularly significant is that it is not an isolated quarter or a one-year spike. The multi-year trend reflects consistent execution, underscoring both the scalability of the business and the increasing efficiency of our operating model as we grow. By rigorously controlling fixed corporate overheads, improving marketing efficiency, and driving Fashion to breakeven, we have demonstrated that our unit economics are fundamentally strong and resilient to macroeconomic headwinds.

Robust Topline and Accelerating Profitability

- In FY2026, our consolidated GMV grew a strong 28% YoY to ₹19,963 crores. This was driven by 27% growth in Beauty, supported by strong omnichannel performance, the scale-up of EB2B, and the outperformance of House of Nykaa. Fashion also showed a steady revival through the year and ended FY2026 with 30% GMV growth.
- Our Revenue from Operations mirrored this momentum, increasing by 26% YoY, landing at ₹10,022 crores. Beauty delivered a healthy performance with 26% growth while Fashion marked a sharp acceleration with 23% YoY growth
- Our gross profit expanded by 30% to ₹4,516 crores, outpacing revenue growth and expanding gross profit margin by 132 basis points to 45.1%. This improvement was driven by a stronger category mix, rising consumer premiumisation, and the rapid scale-up of House of Nykaa.
- EBITDA also improved meaningfully 59% YoY to ₹752 crores, improving EBITDA margin by 155 basis points from 6.0% to 7.5%. This was led by Beauty EBITDA expanding from 8.9% to 9.6% and Fashion losses reducing from -8.3% to -2.6% with it turning EBITDA positive in Q4FY2026.
- Most exceptionally, our consolidated Net Profit After Tax (PAT) jumped 183% YoY to reach ₹204 crores.

Strong Profitability Improvement Led by Operating Leverage and Scale Efficiencies

The improvement in profitability was driven by disciplined execution across the Company, anchored in stronger unit economics, premiumisation, improved customer retention, and CAC optimisation. We also embedded a culture of efficiency while keeping consumer centricity at the core of our operating model. This enabled us to balance growth with profitability, expanding EBITDA while funding future investments through internal accruals. This was evident in:

- **Fulfilment expenses:** Despite continued investments in speed and service, our fulfilment expenses have remained rangebound at 9.6% of NSV. This was enabled by our robust fulfilment network of 44 warehouses across 15 cities, which significantly strengthened our delivery capabilities and customer experience. As a result, we now deliver 70% of beauty orders across the top 110 cities within 24-36 hrs.
- **Marketing and Selling & Distribution expenses:** Even as we continue to invest in new customer acquisition and category-building initiatives over the long term, our marketing and S&D expenses declined from 15.0% of NSV in FY2025 to 14.9% in FY2026.
- **Overheads:** Through disciplined cost optimisation and scale efficiencies, we reduced overheads from 13.9% of NSV in FY2025 to 13.2% in FY2026.

Message from the CFO

Our capital allocation strategy remains firmly anchored in Return on Capital Employed (ROCE). Total capital expenditure during FY2026 was limited to ₹145 crores, representing a disciplined 1.4% of Net Revenue, and was deployed exclusively towards high-velocity physical store expansion (76 additions) and strengthening our technology infrastructure. Operating Cash Flow expanded by 38.1% to ₹644.3 crores."

Capital Allocation Discipline

We also delivered on balance sheet strength and strong cash flow. Working capital efficiency improved sharply during the year, with our operating cycle reducing to 28 days from 34 days in FY2025, aided by faster inventory turnover. Asset productivity also remained strong, with fixed asset turnover improving to 9.9x from 9.1x in FY2025. Net debt nearly halved to ₹329 crores in FY2026. Operating cash flow improved from ₹466 crores to ₹644 crores in FY2026. As a result, Return on Capital Employed (ROCE) nearly doubled, expanding by 1,000 basis points to 21.2% in FY2026, compared with 11.3% in FY2025.

Looking ahead, our priority remains clear: to build long-term shareholder value. And we want to continue doing that by:

- **Driving Value through Growth.** This isn't just about growing the top line; it's about strategic, targeted growth in our core businesses. We are making deliberate investments to acquire new customers, improve our order-to-delivery speeds, and leverage technology and automation to drive efficiency. Furthermore, we are continuing to expand our physical retail store footprint, creating a true omnichannel experience.
- **Steady Margin Expansion.** We are taking a highly disciplined approach to ensure better unit economics across the board. By leveraging our increasing scale and integrating AI into our operations, we are working towards driving operating efficiencies.
- **Generate Operating Free Cash Flow:** We are committed to generating higher operating cash flows. This is supported by very efficient working capital management and optimising our capital expenditures.
- **Focussed capital allocation**: We will continue to invest in our core growth engines. But we are also taking a phased approach to investing in new, emerging opportunity areas—whether that's through organic initiatives or strategic inorganic acquisitions

As we step into FY2027, Nykaa is fundamentally stronger, more agile, and better positioned than ever to capitalise on the immense opportunities within India's premiumising consumer landscape.

We have established strong market-leading verticals with efficient capital and a solid balance sheet. We are confident that the combination of our brand strength, execution capability, and improving financial profile positions Nykaa well for the next phase of growth. We remain fiercely committed to our vision, our customers, and to compounding enduring value for all our stakeholders.

Sincerely,

P. Ganesh

Chief Financial Officer



Key Performance Indicators

OUR GROWTH STORY IN NUMBERS

28%
₹19,963 cr
GMV

26%
₹10,022 cr
Revenue from Operations

155 bps
7.5%
EBITDA Margin

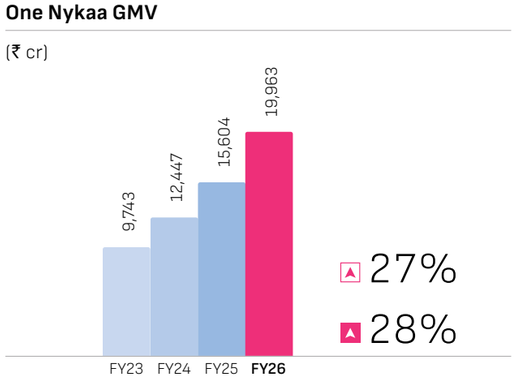
113 bps
2.0%
PAT Margin

1,000 bps
21.2%
ROCE

6 days improvement
28 Days
Working Capital Cycle

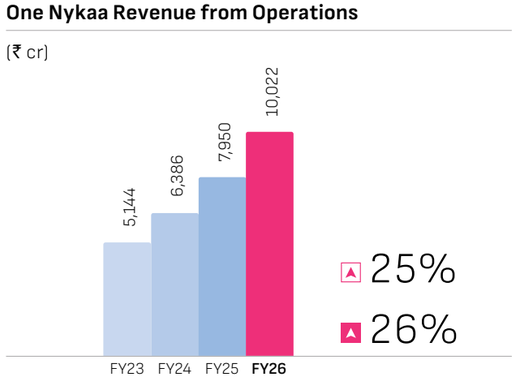
One Nykaa GMV

(₹ cr)



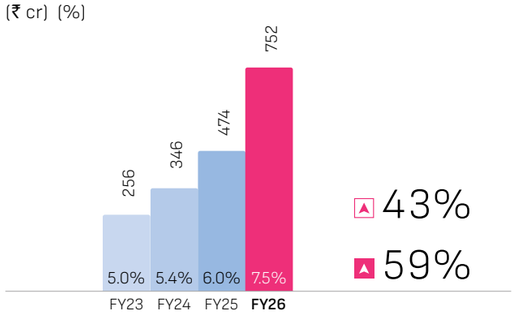
One Nykaa Revenue from Operations

(₹ cr)



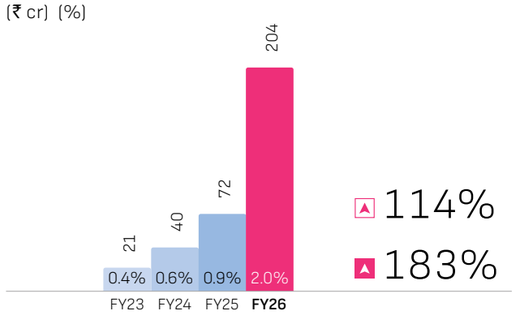
One Nykaa EBITDA and One Nykaa EBITDA margin

(₹ cr) (%)



One Nykaa PAT and One Nykaa PAT margin

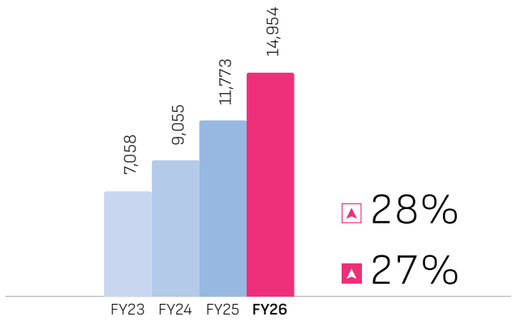
(₹ cr) (%)



YoY Growth 3-year CAGR

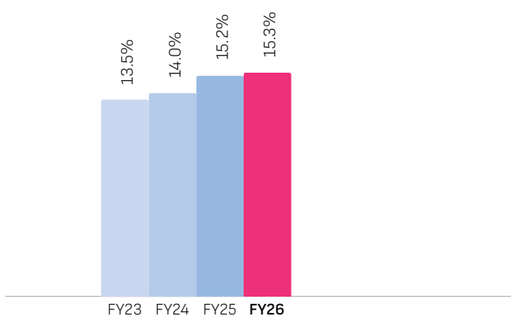
Beauty GMV

(₹ cr)



One Nykaa Marketing and S&D expenses*

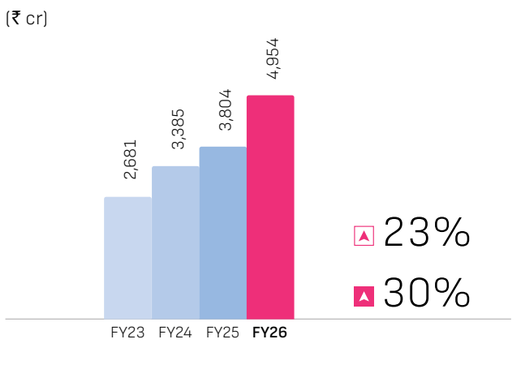
(%)



*As a % of revenue from operations

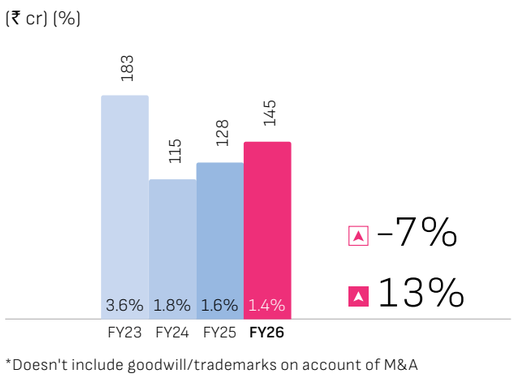
Fashion GMV

(₹ cr)



Capex* and Capex, as % of Revenue from Operations

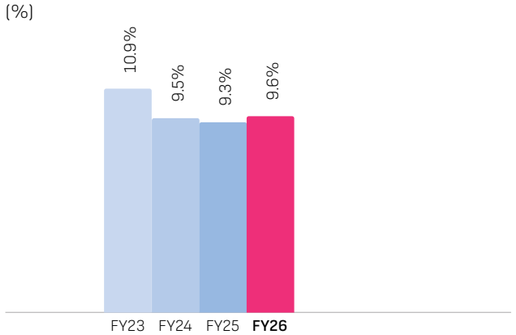
(₹ cr) (%)



*Doesn't include goodwill/trademarks on account of M&A

One Nykaa fulfilment expenses*

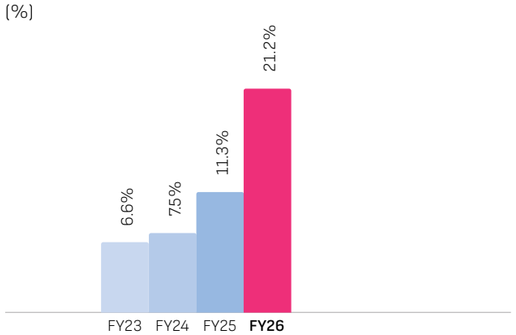
(%)



*As a % of revenue from operations

ROCE

(%)



YoY Growth 3-year CAGR

Beauty Review



FY2026 was a defining year for Nykaa Beauty, delivering a stellar 27% YoY growth to reach a landmark GMV of approximately ₹15,000 crores. We cemented our position as the partner of choice for both global beauty giants and new-age domestic beauty brands. Simultaneously, our O+O model reached new heights as we more than doubled our physical footprint over three years to 313 stores across 99 cities, delivering strong double-digit like-for-like growth."

Anchit Nayar
Executive Director
FSN E-Commerce Ventures Limited (Nykaa)

Managing Director & CEO
Nykaa E-Retail Limited

SHAPING THE FUTURE OF INDIA'S BEAUTY ECOSYSTEM

Dear Shareholders,

FY2026 strengthened our conviction that India's Beauty and Personal Care (BPC) market is entering an inflection point for long-term growth. Beauty today is no longer viewed simply as a discretionary purchase. It has become an expression of identity, confidence and self-care. As aspirations rise, digital adoption deepens and consumers embrace increasingly sophisticated beauty routines, India is emerging as one of the world's most compelling and fastest-growing BPC markets.

Over the past decade, we have helped shape India's modern beauty ecosystem by introducing global brands, nurturing homegrown innovation, creating trusted content, building seamless shopping journeys and bringing together consumers, creators and brand partners on a single omnichannel platform. As the category continues to evolve, our focus remains on deepening the market, elevating consumer experiences and building the future of beauty in India.

This conviction translated into another year of strong execution. During FY2026, our Beauty business delivered 27% YoY growth in GMV to ₹14,954 crores, while our Beauty Cumulative Customer Base expanded to 45 million. These milestones reflect the trust that millions of Indian consumers place in Nykaa as their preferred beauty destination and highlight the operational scale and depth we have built.

Expanding India's Beauty Opportunity

Our growth continues to be powered by two structural trends: expanding category penetration and accelerating premiumisation. Beauty consumption is broadening rapidly as consumers move beyond basic personal care into efficacy-led skincare, premium makeup, fragrances, dermocosmetics, indulgent body care, advanced hair care and wellness-led beauty. Importantly, this evolution is not confined to metropolitan India. Consumers across Tier II and Tier III cities are embracing beauty with increasing confidence, supported by greater digital access, regional content and wider product availability.

At the same time, Indian consumers today are choosing better and choosing more frequently. They are investing in globally recognised brands, clinically backed formulations and elevated beauty experiences. This structural shift towards premiumisation continues to strengthen Nykaa's differentiated positioning as India's most trusted beauty and personal care destination.

Best-in-class Assortment and Brand Partner Relationships

We have the largest and most trusted BPC assortment with 4,400+ brands. Nykaa's retail expertise and specialised scale offer brands a meaningful platform to grow in India, while unlocking unique partnerships to bring truly one-of-a-kind experiences for Indian consumers. During the year, we introduced more than 200 beauty brands, reinforcing our leadership across prestige beauty, luxury fragrances, Korean beauty, haircare and makeup. We also launched Charlotte Tilbury's first Exclusive Brand Outlet in the Asia-Pacific region and partnered with Kiehl's to manage its end-to-end India business. These events reflect the confidence that the world's leading beauty brands continue to place in Nykaa's ability to build long-term businesses in India.



Beauty Review

313
Beauty retail stores
Largest specialty beauty store network in India

9.6%
EBITDA margin (% of NSV)
▲ 74 bps

₹14,954 cr
GMV
▲ 27%

45 mn
Beauty customer base
▲ 30%



Reimagining the Beauty Experience

Consumers increasingly expect beauty experiences that are personalised, intuitive and seamless. We are investing in technology, artificial intelligence and data science to make product discovery smarter, recommendations more relevant and shopping journeys more engaging across every touchpoint. While beauty remains deeply personal, technology enables us to deliver that personalisation at scale.

At the same time, we continue to strengthen our fulfilment capabilities and scale Nykaa Now, our rapid delivery proposition, enabling customers to access our extensive beauty assortment with greater speed and convenience. Together, technology, fulfilment and omnichannel experiences are helping redefine how India shops for beauty.

Omnichannel Excellence

Our competitive advantage lies in the ecosystem we have built around beauty. During FY2026, we expanded our retail footprint to 313 stores across 99 cities, adding 76 new stores and further strengthening India's largest beauty-specialty retail network. These stores are immersive destinations where consumers discover products, seek expert consultation and experience beauty in a highly personalised environment. Together with our digital platform, they create a seamless omnichannel journey that strengthens loyalty and deepens engagement.

Expanding Beauty by Combining Content, Community and Commerce

Content remains one of Nykaa's most enduring differentiators. We have India's largest creator community, with 170,000 creators. Through creators, beauty advisors, regional-language content and our flagship beauty and lifestyle festival Nykaaland, we continue to build India's largest and most engaged beauty community. Every tutorial, masterclass, creator collaboration and product review empowers consumers to navigate beauty with greater confidence while enabling brands to build authentic, long-term relationships with their audiences. This ability to seamlessly combine content, community and commerce continues to set Nykaa apart and, importantly, expands the beauty category itself.

Looking Ahead

India's beauty journey is still in its early chapters. Rising incomes, increasing aspirations, premiumisation, creator-led commerce and omnichannel retail will continue to reshape the category over the coming decade. At the same time, advances in technology will transform how consumers discover, experience and engage with beauty.

Nykaa Beauty is uniquely positioned at the intersection of these structural shifts. As we continue to scale, we remain disciplined in our investments, committed to operational excellence and focused on creating sustainable long-term value for our stakeholders.

Our ambition remains unchanged: to build India's most loved beauty destination while continuing to define the future of beauty in the country.

On behalf of the leadership team, I thank our customers for their continued trust, brand partners for their collaboration, employees for their passion and commitment, and shareholders for their unwavering confidence in Nykaa's long-term vision.

Anchit Nayar
Executive Director
FSN E-Commerce Ventures Limited (Nykaa)

Managing Director & CEO
Nykaa E-Retail Limited



Fashion & House of Nykaa Review



FY2026 marked a structural shift in both growth and profitability for Nykaa Fashion, with GMV surging 30% YoY to ₹4,954 crores and the business triumphantly achieving EBITDA breakeven in Q4. The quality of our growth remains exceptional, powered by a premium, digitally native consumer base."

Adwaita Nayar
Executive Director
FSN E-Commerce Ventures Limited (Nykaa)

Managing Director & CEO
Nykaa Fashion Limited & Head of Owned Brands

BUILDING INDIA'S LOVED FASHION AND LIFESTYLE DESTINATION

Dear Shareholders,

India's fashion market is undergoing a meaningful transformation, driven by young consumers, deeper digital influence, and rising lifestyle-led consumption. As consumers premiumise their fashion choices, our conviction remains unchanged: India needs a fashion-forward destination, anchored in curation, inspiration, discovery and trust.

We remain true to this positioning from day one, and consumer resonance is increasingly evident. As we continue to build Nykaa Fashion into India's most loved fashion and lifestyle destination, we remain deeply encouraged by the strength of our proposition and the long-term opportunity ahead.

FY2026 was a strong year for Nykaa Fashion and marked a step function change in both growth and profitability trajectory. GMV grew from ₹3,804 crores in FY2025 to ₹4,954 crores in FY2026, reflecting 30% YoY growth. NSV grew from ₹1,125 crores in FY2025 to ₹1,447 crores in FY2026, reflecting 29% YoY growth. At the same time, we made strong progress on improving profitability, with marketing and selling & distribution expenses, and overheads reducing meaningfully as a percentage of NSV. Significantly, the business achieved breakeven in Q4, while full-year EBITDA stood at -2.6% of NSV—a 572 bps improvement YoY.

We continued to strengthen our assortment across categories and price points. In FY2026, we launched 1,250+ new brands across Women, Men, Kids, Home and Accessories, making Nykaa Fashion a more holistic fashion and lifestyle platform. Our marquee launches like H&M and Nike reiterated that we're not just a platform of choice for our customers but also for some of the biggest global brands.

Our international assortment remains a key differentiator, with 1,000+ global brands and 65K+ curated styles offering one of India's strongest fashion selections. At the same time, occasion-led fashion continues to drive growth through destinations like Hidden Gems, where 400+ Indian brands and 73,000+ curated styles enable consumers to discover distinctive, design-led looks for celebrations and special moments.

In FY2026, we strategically broadened our growth focus beyond womenswear. Men's revenue grew more than 75% YoY, with new customer acquisitions up more than 90%. We also witnessed strong momentum in kidswear and home, which grew more than 70% and 33% YoY, respectively.

Together, these adjacencies strengthened the platform's ability to serve consumers across occasions, life stages and lifestyle needs.

At Nykaa Fashion we place great emphasis on effective discovery and differentiated curation. The customer should be able to joyfully discover exactly what is right for them. We are investing deeply in GenAI across search, recommendation, and assisted discovery.



Fashion & House of Nykaa Review

From virtual try-on experiences to AI-led look agents, hyper-personalised content, we are reimagining how consumers discover fashion online. We are also the first fashion e-commerce platform to integrate with ChatGPT, reinforcing our commitment to building future-ready shopping experiences.

A highlight of FY2026 was the start of the Nykaa-Nike partnership. Nykaa now manages end-to-end operations for Nike's digital commerce platforms in India-a strong validation of the trust global brands place in Nykaa's capabilities and consumer understanding. We have developed a replicable playbook for brands where there is strong strategic alignment between their ambitions and our strengths. In the case of Foot Locker, we are their exclusive e-commerce partner and manage their D2C website. In addition, we work with global retailers such as Revolve, Urban Outfitters, and Next on cross-border B2B2C integrations and marketplace enablement. Over time, Nykaa has evolved beyond being a traditional retailer. Today, we offer digital commerce infrastructure, deep consumer insights, scalable fulfilment, and premium omnichannel execution. This positions Nykaa as a long-term strategic partner for brands and opens up meaningful opportunities for us to play a larger role across the brand value chain.

We remain committed to building Nykaa Fashion with the same consumer obsession, agility, and brand-first thinking that defines Nykaa. As India's fashion consumer continues to evolve, we believe Nykaa Fashion is well positioned to lead this transformation and become one of the most important fashion and lifestyle destinations in the country.

House of Nykaa Brands

For much of Nykaa's last 14 years, we've been known as a retailer, a role we've cherished in India's developing beauty and lifestyle ecosystem. More nascent but of increasing significance, has been our House of Nykaa Brands—a business where we build brands that consumers love and use daily. Today, this is one of our critical bets that will define Nykaa's trajectory over the next decade.

Our journey with the House of Nykaa Brands started in earnest in 2019, when we positioned Nykaa Cosmetics into a complete makeup portfolio, acquired Dot and Key in skincare, and founded the premium beauty brand, Kay Beauty.

House of Nykaa Beauty portfolio achieved a structural shift, scaling 3x with a phenomenal 55% CAGR to reach an NSV of ₹1,700 crores, driven by an accelerated 60%+ growth in the past year alone. This momentum is anchored by Dot & Key crossing the ₹1,000 crores milestone to become India's largest D2C skincare brand, alongside the robust omnichannel expansion of Nykaa Cosmetics and Kay Beauty, which marked its historic UK debut with Space NK."





House of Nykaa is currently almost a ₹3,200 crores GMV (49% YoY) business, spanning across Beauty and Fashion. From FY2023-26, the House of Nykaa Beauty portfolio saw accelerated growth scaling 3x in 3 years, a 55% CAGR, to an NSV of ₹1,700 crores. Today, we have a multi-category house of brands business with 3 scaled brands and 5 emerging brands. Dot & Key, at ₹1,000 crores+ NSV, is India's largest D2C skincare brand in the category. Nykaa Cosmetics & Kay Beauty have both reached a ₹250-350 crores NSV. In terms of distribution, the brands are present omnichannel. Online (~75% share of sales) is the priority channel, and we have established leadership positions across both our own and other 3P e-commerce platforms. Offline (~25% share of sales) is a strong focus for our scale brands, and our presence spans 313 Nykaa stores, 1,000+ premium assisted non-Nykaa stores, and 150k+ general trade stores.

India is experiencing a unique opportunity to build brands. The confluence of three trends lays the backdrop for this:

- Rapidly scaling ecommerce penetration (3x between FY2026-31)
- The rise of influencer-based discovery (influencing 30% of all purchases)
- Large strides in beauty per capita consumption (from $16 to ~$30 by FY2031).

When seen together, there is a compelling case for new brands to emerge and to establish as large, sustainable businesses of the future. In that context, Nykaa aims to build its House of Brands business into a ₹5,000 crores NSV by FY2030.

Looking back on the past year's highlights: House of Nykaa delivered an accelerated growth of 60%+, and Kay Beauty became the first Indian beauty brand to be launched in the UK with Space NK. The business also invested heavily in bringing in strong talent across brand building, innovation, R&D and distribution.

As we look ahead, the focus remains on scaling core and emerging brands, delivering sharp innovations and launches, and adding new brands to our portfolio that address incremental category white-spaces. There is much excitement across the board to take this business to its full potential and we are committed to making the right investments to achieve success.

Warm regards,

Adwaita Nayar
Executive Director
FSN E-Commerce Ventures Limited (Nykaa)
Managing Director & CEO
Nykaa Fashion Limited & Head of Owned Brands

Omnichannel Presence

EVERY TOUCHPOINT, ONE NYKAA EXPERIENCE

Our omnichannel presence brings the Nykaa experience closer to consumers across discovery, trial, purchase and fulfilment. By combining immersive stores, content-led digital platforms, creator-driven engagement and technology-enabled convenience, we create connected journeys that move seamlessly across online and offline touchpoints.

From expert advice and product exploration in-store to personalised discovery, fast delivery and community-led engagement online, every channel strengthens trust, deepens relationships and makes beauty and lifestyle shopping more intuitive, inspiring and accessible.



Physical Touchpoints

Our physical touchpoints bring the Nykaa experience to life, blending expert guidance, personalised engagement and immersive discovery. Designed to go beyond transactions, our retail formats create meaningful interactions that deepen consumer connections and inspire exploration. Each space reflects our commitment to reimagining beauty retail for the evolving Indian consumer, combining global aesthetics with local relevance and sustainable practices to create distinctive experiences that resonate with customer aspirations. In FY2026, we expanded our physical footprint at a record pace while transforming our stores into immersive, premium destinations that elevate the customer experience.

Store Dashboard

313
Stores (76 new stores added in FY2026, highest ever)

99
Cities (20 new cities added in FY2026)

3.1 lakh+ sq. ft.
Retail space (27% YoY)

142
Nykaa On Trend

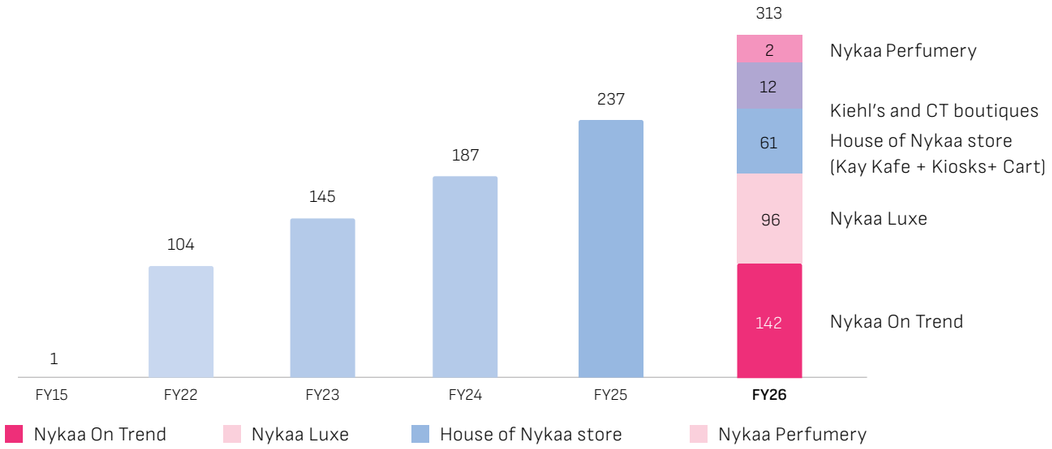
96
Nykaa Luxe

61
House of Nykaa Stores (Kay Kafe + Kiosk + Cart)

12
Kiehl's and CT Boutiques

2
Nykaa Perfumery

Store Growth Trend



- Launched first store
- Crossed 100th retail store milestone
- Launched first Flagship store
- Launched Nykaa Perfumery, Kay Kafe, Charlotte Tilbury's Flagship store and Kiehl's store takeover

Store count

Omnichannel Presence

Multi-brand Specialty Stores

NYKAA LUXE THE LUXURY STORE

Flagship Store

Experience led stores with **brands SIS, skin and hair consultation tools and beauty services**

Luxe Store

Curated collection of **80+ premium beauty brands**

NYKAA ONTREND

Destination for **trending, D2C/home grown & international brands**

NYKAA PERFUMERY

Category specific store to **strengthen leadership in fragrance**

Exclusive House of Nykaa Brand Outlets

NYKAA KIOSK

Exclusive House of Nykaa outlets in high footfall retail zones

NYKAA WANDERLUST CART

Brand carts in key consumer hotspots

Exclusive Brand Experiential Formats

Kay Beauty KAFE

A lifestyle café **blending beauty, coffee and community**

EBOs for

Kiehl's CharlotteTilbury

and many more to come

Nykaa Perfumery

Deepening our Presence in the Fragrance Category

We are redefining fragrance discovery in India through immersive experiences, intelligent tools such as Fragrance GPT and Fragrance Finder, and personalised gifting solutions that elevate consumer engagement.





~3x
Higher retail store Average Order Value (AOV)

~50%
GMV contribution from men's fragrances

30+
Ultra-luxury fragrance brands curated across the portfolio

Kay Beauty's UK Debut at Space NK

Kay Beauty expanded its international footprint with a successful entry into Space NK, a leading premium beauty retailer in the UK. Strong consumer interest and engagement across digital and physical channels drove visibility for the brand, supported by immersive activations, masterclasses and prominent branding across Space NK platforms.

The launch further strengthened Kay Beauty's appeal among beauty consumers and marked an important milestone in its global growth journey.



Top 5
Brand across several Space NK stores

#1
Search term on the Space NK website

13
Stores across the UK, including Oxford Street and Birmingham Bullring

80+
Stores nationwide across the UK, reinforcing Space NK's position as a leading luxury beauty retailer



House of Nykaa Store

House of Nykaa is the Company's flagship beauty retail format, bringing together premium beauty, skincare, fragrance and wellness brands through immersive experiences, expert consultations, personalised services and omnichannel-enabled shopping.





Omnichannel Presence

GlobalStore

Bringing the Best of Global Beauty to India

Nykaa Global Store serves as a gateway to the world's leading beauty brands, offering Indian consumers access to a curated portfolio of premium international labels and authentic products. During the year, Nykaa strengthened its global beauty platform by taking over the end-to-end management of Kiehl's India business across Exclusive Brand Outlets (EBOs), Multi-Brand Outlets (MBOs), e-commerce and D2C channels. The Company also launched the first Charlotte Tilbury Exclusive Brand Outlet (EBO) in the APAC region at Nexus Select CityWalk, Saket, New Delhi, reinforcing its position as the partner of choice for global beauty brands expanding in India. Supported by an expanding portfolio of international brands and a seamless omnichannel ecosystem, Nykaa continues to elevate premium beauty experiences for Indian consumers.

Chanel: Nykaa becomes the exclusive India retailer for 'Chanel', the iconic French luxury brand, celebrated for timeless elegance in fragrance, beauty, and skincare.

Charlotte Tilbury: Charlotte Tilbury Exclusive Brand Outlets offer an immersive luxury beauty experience, showcasing the brand's iconic makeup, skincare and fragrance portfolio through personalised consultations, expert artistry and premium in-store experiences.

Kiehl's: Kiehl's Exclusive Brand Outlets provide science-backed skincare expertise through personalised consultations, skin diagnostics and tailored product recommendations, enabling consumers to experience the brand's heritage and dermatologist-inspired formulations.

Immersive Retail Experiences

Our stores are designed to create immersive beauty experiences that inspire exploration and deepen consumer engagement. Through curated displays, interactive zones, expert consultations and makeover services, we transform shopping into a personalised journey, with one in every three customers opting for an in-store makeover. Dedicated spaces for skincare, fragrance and professional haircare, complemented by an expanding assortment across Korean beauty, premium skincare and fragrances, further enrich discovery and elevate the retail experience.

Beyond the store, Nykaa extends this personalised experience through AI-powered beauty technology that makes product discovery more intuitive and precise. Nykaa Skin Scan enables consumers to analyse their skin in seconds using a simple selfie.



The AI assesses up to eight skin concerns, including acne, hydration, pigmentation, oiliness and fine lines, and generates a personalised skin health score along with tailored skincare routines and product recommendations.

Nykaa Foundation Finder further simplifies beauty selection by helping consumers identify their ideal foundation match based on skin type, undertone and preferred coverage. The tool recommends the most suitable products and shades across a wide portfolio of beauty brands.

Nykaa also enables consumers to translate Skin Scan insights into targeted skincare solutions. Based on individual skin needs, users can discover formulations such as Niacinamide 10% + Zinc 1% for oil control and blemish-prone skin, or Hyaluronic Acid 2% + B5 for hydration and skin barrier support, seamlessly connecting personalised diagnosis with informed product selection.

Nykaa Now

Nykaa Now stores serve the largest Beauty and Personal Care assortment across India's top seven cities. Leveraging technology-enabled hyperlocal delivery from all Nykaa stores, we bring speed, convenience and accessibility closer to consumers.

Nykaa Now combines speed with choice, enabling delivery of products from 1,000+ marquee Beauty and Personal Care brands within 30-120 minutes across India's top seven cities. We continued to strengthen our position by capturing gifting, festive and occasion-led demand through curated assortments and targeted campaigns.



Digital Platforms

Our digital touchpoints form the foundation of the Nykaa ecosystem, seamlessly connecting content, community and commerce. Through our websites, mobile applications, social platforms and creator network, we enable consumers to discover, learn and shop with confidence. Rich editorial content, livestreams, personalised recommendations and social engagement create meaningful interactions that strengthen loyalty and transform inspiration into purchase. Supported by a powerful content-to-commerce flywheel, our digital ecosystem continues to deepen consumer engagement and drive sustained growth across beauty and lifestyle categories.

Ask Nykaa, our AI-powered shopping assistant, delivers personalised beauty and fashion guidance through natural-language conversations. By understanding individual preferences and needs, it recommends relevant products, routines and expert advice, making discovery faster, more intuitive and highly personalised across the Nykaa ecosystem.

Digital Touchpoints

7
Mobile applications

12
Websites

19 mn+
Social media followers

170K+
Creator network

2 mn+
Content pieces in FY2026

~66 mn
Beauty order fulfilled in FY2026



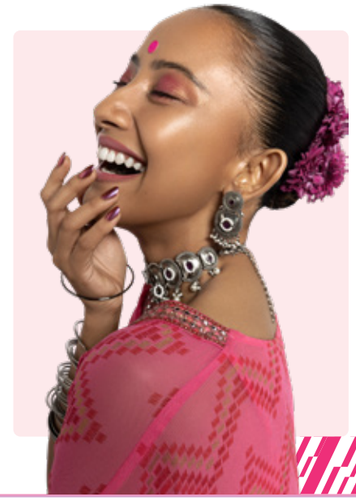
Consumer Connections

CULTURE, CONVERSATIONS AND CONNECTIONS

At Nykaa, discovery is driven by the convergence of technology, content, creators, communities and culture. Through AI-powered personalisation, immersive experiences like Nykaaland, creator collaborations, shoppable content, Beauty Rewind, Gen Z initiatives and culturally relevant campaigns, we continue to transform inspiration into engagement and engagement into lasting consumer relationships. This integrated ecosystem strengthens brand affinity while keeping Nykaa at the heart of how India discovers, experiences and celebrates beauty and lifestyle.

In today's consumer tech landscape, where digital attention is short and brand loyalty is constantly shifting, Nykaa has built a strong and lasting connection with its consumers. As of March 31, 2026, we engaged with 55 million beauty and lifestyle shoppers across India, offering each of them a personalised experience rather than a one-size-fits-all shopping journey. By combining expert human curation with advanced AI, we have set a new benchmark for personalised beauty and lifestyle commerce.

A key driver of this stronger consumer engagement in FY2026 was our landmark strategic partnership with OpenAI. This collaboration made Nykaa India's first truly AI-native beauty and lifestyle platform. By training advanced multimodal AI models on 14 years of our proprietary beauty expertise, product knowledge, and consumer behaviour data, we introduced an intelligent, context-aware beauty ecosystem directly within our apps, delivering highly personalised recommendations and guidance to every customer.



Key Consumer Immersion and Retention Milestones

Nykaaland

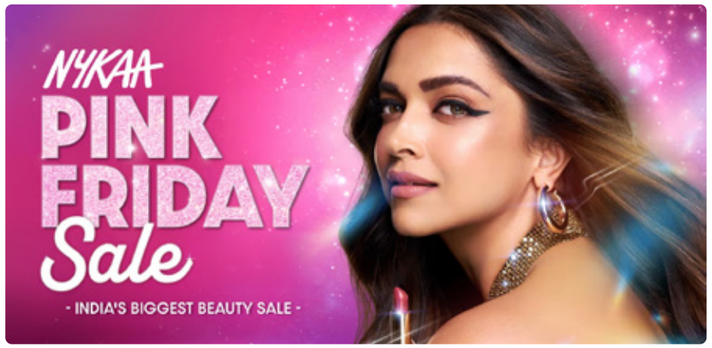
With its landmark Delhi debut, Nykaaland 2025 transformed the beauty and lifestyle into a cultural movement at scale with participation from more than 30,000 attendees. The three day festival featured 60+ leading beauty brands, 500+ beauty and lifestyle creators, and 30+ hours of live entertainment, creating India's most immersive beauty and lifestyle destination. The festival showcased Nykaa's ability to build a high-engagement consumer ecosystem that strengthens discovery, community, and brand partnerships.



Consumer Connections

Sale Events

We host four flagship sale events each year, all of which continue to see strong consumer participation. Our marquee annual sale, Pink Friday, held in Q3, recorded strong growth over the previous year. Interactive video commerce, gamified experiences, and creator-led live sessions helped drive a strong increment in daily active users (DAU) along with an increase in average order value (AOV) across both Tier 1 cities and emerging Tier 2 markets.





Content-to-Commerce Flywheel

India's premier verified peer-to-peer beauty discussion network scaled past 8 million active weekly contributors. By hosting live masterclasses with international makeup artists and board-certified dermatologists, we transformed passive app browsing into high-conviction purchasing, driving our repeat consumer GMV contribution to an industry-leading almost 80%.



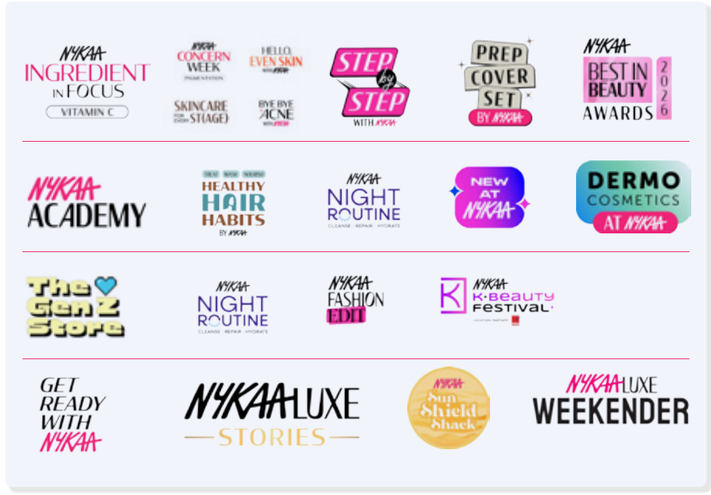
Building Structural Loyalty through Content-led Engagement – From Marketplace to Trusted Advisor

At Nykaa, our relationship with the Indian consumer extends far beyond the transaction. We have fundamentally shifted our role from a digital marketplace to India's premier beauty authority. By pioneering a robust ecosystem of education-led Intellectual Properties (IPs), we demystify beauty, skincare, and wellness for millions of consumers nationwide.

Democratising Beauty Education

Rather than simply pushing sales, we focus on empowering the consumer. Through localised, ingredient-focused, and high-efficacy content, we guide individuals through their evolving beauty journeys via our core foundational IPs.

By seamlessly integrating authentic creator collaborations with community engagement, we have engineered a self-sustaining marketing engine. This flywheel accelerates growth across three strategic vectors:



Discovery

Driving natural product exploration and deeper brand recall without a heavy reliance on paid performance marketing.

Increased Wallet Share

Transforming consumer education into higher conversion rates and larger average basket sizes.

Tier 2 & Tier 3 Acceleration

Capturing the rapidly growing demand for premium beauty in emerging regional markets where consumer education is the primary catalyst for adoption.

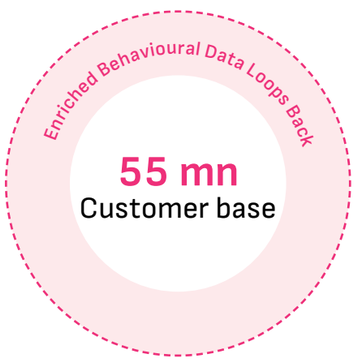
Dynamic Customer Data Loop

AI skin scan

High-fidelity facial images create 15 mn+ unique dermatological profile

Nykaa Network Community

Hyper personalised post purchase engagement feeds



AI Conversational Agents

Personalised regimen mapping translates profiles into curated recommendations

Live Stream Content

Short-form category videos from Key Opinion Leaders (KOLs) to convert engagement into purchases

Closed loop intelligence: Diagnose → Converse → Convert → Engage → Learn

Portfolio Expansion

CURATING WHAT CONSUMERS LOVE

At Nykaa, portfolio curation is driven by a clear understanding of what consumers seek, what categories are ready to scale and how brands can grow in India with the right discovery ecosystem. By combining category insight, brand partnerships and technology-enabled discovery, we are expanding choice while shaping new occasions, behaviours and growth opportunities as India's leading beauty and lifestyle destination.



Beauty

FY2026 marked our strongest year for brand expansion. During the year, we introduced more than 200 iconic brands across luxury beauty, Korean beauty and dermocosmetics, enriching our portfolio with sought-after names such as Chanel Beauty and Fragrance, Armani Beauty, Maison Margiela Fragrances, Kylie Cosmetics, SK-II, Paula's Choice, La Roche-Posay, Anua and IT Cosmetics. These additions further strengthened our position as the preferred destination for discovering the world's most coveted beauty brands.



Key Luxe and Prestige Brand Launches

Chanel: Exclusive partnership for "Chanel", the iconic French luxury brand, celebrated fortimeless elegance in fragrance, beauty,and skincare.

Prada Beauty – Brought the iconic Italian luxury house to Indian consumers, combining cutting-edge science with timeless elegance.

IT Cosmetics (Exclusive) – Enriched our prestige portfolio with the confidence-inspired US beauty label.

La Prairie (Exclusive) – Introduced the Swiss skincare pioneer renowned for its cellular science expertise.

Maison Margiela Fragrances – Welcomed the Parisian fragrance house known for its artistic and minimalist creations.

Dolce & Gabbana Beauty – Added the celebrated Italian beauty house, marrying heritage craftsmanship with modern innovation.

Kylie Cosmetics – Strengthened our celebrity beauty portfolio with Kylie Jenner's globally acclaimed makeup range.

Milk Makeup – Expanded our clean beauty offering with the cruelty-free and vegan favourite.

ALFAPARF Milano – Enhanced our professional haircare proposition with the premium Italian salon brand.

H&M Beauty – Broadened our trend-led assortment with the Swedish beauty label catering to style-conscious consumers.

d'Alba Piedmont – Enriched our K-Beauty portfolio with premium truffle-infused skincare solutions.

Ariul – Strengthened our Korean skincare offerings with formulations inspired by modern urban lifestyles.

Lumineve (Only on Nykaa) – Exclusively launched the brightening skincare range from the Monasa Group.

Fwee (Only on Nykaa) – Brought the fast-growing Korean cosmetics sensation popular among Gen Z consumers.

Parnell (Only on Nykaa) – Further deepened our science-led K-Beauty proposition with the exclusive launch of Parnell.

Portfolio Expansion

India's K-Beauty Destination

Korean beauty continued to gain strong traction among Indian consumers, particularly Gen Z and young millennials, driven by growing interest in innovative formulations and skincare-led routines. We strengthened our K-Beauty proposition through a carefully curated portfolio spanning skincare, haircare and cosmetics, complemented by dedicated discovery experiences on the Nykaa app. High-impact K-Beauty festivals, immersive offline activations and influencer collaborations further elevated awareness and engagement, bringing the latest Korean beauty trends closer to consumers and reinforcing Nykaa's position as a destination for global beauty innovation.



70+
Brands

27
Korean beauty launches

58%
GMV YoY in FY2026 for Korean brands

Key Korean Beauty Brand Launches

RYO – Expanded our haircare portfolio with Amorepacific's Korean scalp-care brand.

Arencia – Introduced the sustainable Korean skincare brand focused on clean formulations.

Mise-en-scène – Added the popular Korean haircare brand from Amorepacific.

Torriden – Strengthened our skincare offering with science-backed Korean formulations.

Dr. Althea – Brought one of Korea's fastest-growing skincare brands to Indian consumers.

Ample:N – Expanded our derma-inspired K-Beauty portfolio with advanced Korean skincare solutions.



Dermocosmetics

As consumers increasingly embrace ingredient-led and clinically backed skincare, dermocosmetics have emerged as a key growth category. We strengthened our proposition through partnerships with leading global derma brands, including La Roche-Posay, CeraVe, ISDIN, Eucerin, Uriage, Neutrogena, Cetaphil, Bioderma, Aveeno, Aestura and Avène. Dedicated dermat consultation flows on the Nykaa app and AI-powered skin analysis tools enable personalised product recommendations and informed decision-making. Complementing these capabilities are targeted education initiatives and immersive activations designed to address the needs of increasingly ingredient-conscious consumers.

CHANEL · PRADA BEAUTY · la prairie SWITZERLAND · SK-II · CharlotteTilbury · Milk MAKEUP · DIOR

Elevating the Luxury Beauty Experience

Nykaa Luxe continues to redefine luxury beauty through a curated portfolio of coveted global brands and immersive omnichannel experiences. Personalised recommendations, editorial content and elevated digital discovery complement our presence across premium retail destinations. New formats, including Nykaa Perfumery and ultra-luxury flagship stores, are enhancing offline experiences, while collaborations with marquee platforms such as Gaurav Gupta's Bridal Couture Show and Vogue Wedding Atelier strengthen our position as a trusted destination for discerning beauty consumers.

230+
Premium and luxury brands

Building Iconic Beauty Destinations

Our partnership with Charlotte Tilbury continues to redefine luxury beauty in India. From introducing the brand exclusively to expanding its presence across premium locations, localising bridal beauty and strengthening consumer education, we have built a powerful omnichannel ecosystem. During FY2026, we further elevated the experience with the launch of India's first Charlotte Tilbury exclusive brand outlet, delivering a seamless online-to-offline journey for beauty enthusiasts.

Kay Beauty X Falguni Shane Peacock

Kay Beauty, India's leading celebrity beauty brand, continued to strengthen its global presence while celebrating homegrown creativity. During the year, the brand partnered with renowned couture house Falguni Shane Peacock to unveil an exclusive limited-edition collection, bringing together beauty and high fashion in a celebration of glamour, craftsmanship and self-expression.

Nykaa Cosmetics X Bridgerton

Nykaa Cosmetics transformed cultural moments into rapid innovation through an exclusive collaboration with Netflix's Bridgerton. Inspired by the globally celebrated series, the limited-edition collection brought trend-led beauty experiences to consumers and strengthened the brand's appeal among younger audiences. The launch translated strong engagement into demand, with four lipsticks and two palettes sold every minute.



Capturing the Rising Demand for Wellness

We are uniquely positioned to capture the growing wellness opportunity by leveraging our trusted beauty ecosystem, premium customer base, strong brand partnerships and extensive creator network. These strengths enable us to extend from external beauty into holistic health and wellness while driving discovery, education and consumer engagement.

Nykaa Wellness Store on the App:
Offers curated solutions tailored to specific need states such as skin and hair health, fitness, hydration, mindfulness and PCOS, simplifying ingredient discovery and helping consumers make more informed wellness choices.

200+
Brand partners onboarded

NYKAA wellness

Portfolio Expansion

Nykaa Man



Nykaa Man is well positioned to capitalise on the evolving aspirations of India's premium male consumer. Men are increasingly choosing science-backed skincare, luxury fragrances and trend-led fashion over traditional grooming products. Luxury fragrances have grown by over 130% between FY2024 and FY2026, while premium sneakers priced above ₹5,000 account for 35% of footwear sales, led by brands such as Nike, ASICS and New Balance. Skincare demand is being driven by clinically backed brands including Cetaphil, Minimalist, The Ordinary, La Roche-Posay and CeraVe. At the same time, strong interest in oversized T-shirts, baggy jeans, Chelsea boots and bootcut jeans reflects the growing influence of contemporary fashion. Backed by a curated premium portfolio and personalised shopping experience, Nykaa Man continues to strengthen its position as the destination of choice for the modern Indian man.

Fashion

Fashion witnessed one of its strongest years for brand expansion, with the addition of over 1,250 brands. Deeper partnerships with global leaders such as Nike and H&M brought the latest collections and trend-led drops to consumers across segments. Strong momentum across categories drove robust growth, with men's wear, kids and home emerging as standout performers. Together with a diverse portfolio spanning global labels, homegrown brands and emerging names, these additions further strengthened Nykaa Fashion's position as a destination for style, discovery and choice.



Global Fashion Giants Trust Nykaa Fashion as Partner of Choice



H&M and Nykaa Fashion

H&M and Nykaa Fashion formed a high-profile digital partnership. This strategic collaboration expanded H&M's online footprint in India by integrating its massive catalogue directly into Nykaa's ecosystem.

#1

Brand on Nykaa Fashion since launch

Nike and Nykaa

Nykaa Fashion entered into a landmark partnership with Nike, becoming the brand's exclusive local operational partner for its direct-to-consumer digital business in India. Under this collaboration, we manage end-to-end operations across Nike.com and the Nike App, encompassing on-site experience, digital marketing, fulfilment and customer service. This partnership underscores our capabilities in building and scaling premium brand ecosystems while delivering seamless and elevated experiences to consumers.

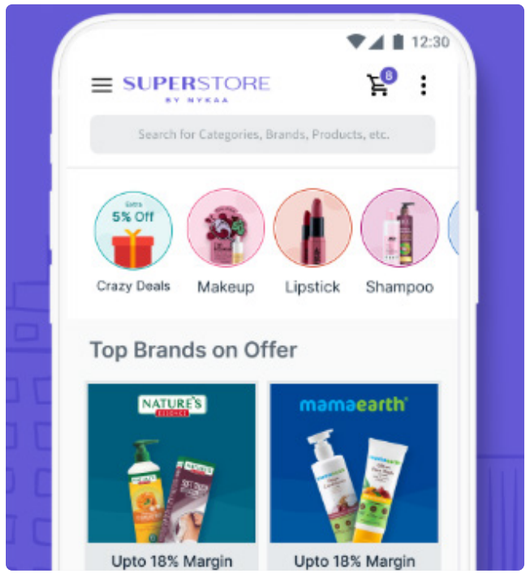
NIKE x N FASHION

The NF Edit: Curated Discovery, Reimagined

The NF Edit has transformed fashion discovery by moving beyond conventional search and category-led browsing to a more curated, inspiration-led experience. Through thematic edits and stylist-curated collections, consumers can effortlessly explore complete looks tailored to seasons, occasions and emerging trends. Combining editorial storytelling with influencer-inspired recommendations, The NF Edit simplifies decision-making, enhances discovery and strengthens Nykaa Fashion's position as a destination where inspiration seamlessly translates into purchase.

Superstore by Nykaa

Superstore continued to strengthen its position as a trusted growth partner for India's beauty retailers, scaling its business nearly fourfold over the past three years. During FY2026, we further expanded our portfolio to over 220 brands, including 50 new additions, enhancing access to the latest products and trends. The platform deepened partnerships with leading FMCG players such as Colgate, Reckitt, L'Oréal, Cetaphil and Johnson & Johnson, while also strengthening its presence in the fast-growing D2C ecosystem through collaborations with brands including Plix, Be Bodywise, Foxtale, WishCare, MARS and Bare Anatomy. Combining category expertise, technology-enabled ordering and data-driven insights, Superstore is helping retailers optimise assortments, improve inventory decisions and better serve evolving consumer preferences across India.



Technology & Digital

MAKING DISCOVERY SMARTER, SHOPPING SIMPLER

Every era of Nykaa has been shaped by technology. In the early years it took a differentiated beauty experience online. As we scaled, it built the reach, reliability, selection and trust that a national platform depends on. Today it is helping us imagine a different kind of commerce, one that is more personal, more intelligent, more contextual and more human. FY2026 was the year that ambition stopped being a roadmap and became a daily habit for millions of customers and thousands of colleagues.

The shift we are making is not to add artificial intelligence as a layer on top of existing journeys. It is to reimagine the journeys themselves from search to advice, from browsing to confidence, from manual workflows to intelligent execution, and from disconnected interactions to one connected understanding of the customer. In FY2026, we stopped piloting and started compounding. In FY2027, we intend to extend that compounding loop to scale.

Artificial intelligence is no longer a feature inside Nykaa. It is becoming the operating layer beneath it.



The Foundation

One Nykaa AI—The Intelligence Layer Beneath the Experience

The most important part of Nykaa's AI journey is not any single feature. It is the platform thinking beneath it. One Nykaa AI brings customer understanding, product intelligence, content, reviews, catalogue depth, commerce signals and enterprise data into a shared intelligence foundation. At its heart is the Customer Cube, a living, high-dimensional understanding of each shopper assembled from hundreds of trusted signals and sharpened with every interaction. The same capability can then power many different experiences: for a customer it may appear as a conversational beauty advisor, a personalised match score or a faster support resolution; for a retailer, as smarter field



engagement; for an internal team, as an agent that diagnoses an issue and recommends the next action.

We think of this as two layers working together. An operating layer of classical machine learning—ranking, recommendations, search relevance, pricing and fraud—that the customer never sees but feels in every session. And a conversational layer of generative AI—the advisors, stylists and agents that customers speak to directly. The operating layer is the heart; the conversational layer is the face. The compounding begins when the face starts to feed the heart, and every conversation makes the next recommendation better.

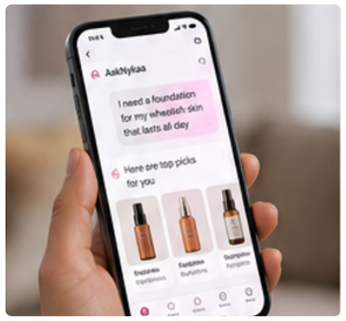
FY2026—Proof, Not Promise

The Year Intelligent Commerce Went Live

FY2026 was a defining year. AskNykaa, Skin Scan, Virtual Try-On, Nynaa, the Nykaa Workbench and our internal AI centre of excellence, SamurAI, moved from demonstration to daily use. Across Beauty, Fashion, eB2B and the enterprise we shipped products that made the experience more intuitive for customers and more powerful for the teams who serve them. Crucially, this was technology built for use, not for show and the results are measurable.

Reimagining Discovery

Discovery is where commerce begins and where it most often breaks down. Many journeys fail not because customers lack options but because they lack confidence: will this shade suit me, is this foundation right for my skin? Our FY2026 work addressed both halves of the problem. AskNykaa, launched in beta on Nykaa Beauty, is a conversational advisor grounded in our own catalogue, reviews and category expertise, letting customers ask the way they think rather than translate intent into keywords and filters. Semantic search, powered by in-house embeddings, lifted click-through while cutting response time from—the kind of relevance and speed that only first-party data grounding makes possible. Beyond text, we expanded how customers discover: image search adoption and conversion both climbed as shoppers began to lead with a picture rather than a phrase.



16%
Higher shade selection accuracy through Virtual Try-On

1.5 mn+
AI-powered skin scan analyses completed

180K+
Virtual closet avatars created by customers

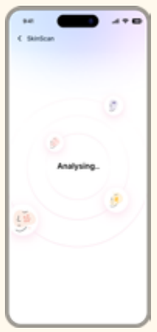
Technology & Digital

Skin Scan: Personalising Skincare with AI

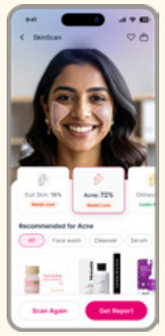
Nykaa's Skin Scan simplifies skincare discovery through AI-powered personalisation. Using a guided selfie, the feature analyses key skin concerns, visualises them on the customer's image, assigns skin health scores and recommends products tailored to individual needs. Since its rollout, Skin Scan has completed over 1.5 million scans, with an 86% completion rate, making online beauty shopping more personalised, intuitive and confidence-driven while advancing Nykaa's Beauty Tech vision.



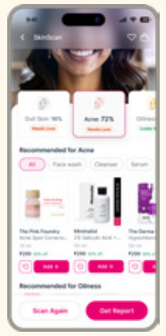
Guided Capture



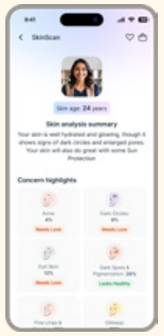
AI Analysis



Results



Product Recommendations



your Skin Report

Intelligence across Every Touchpoint

The same thinking extended well beyond the storefront. Nynaa, our in-house voice agent, now resolves routine customer-service interactions across English, Hindi and Hinglish, handling around 40% of contacts and freeing human teams for the cases that need empathy and judgement. In eB2B, AI-enabled field workflows capture the product interest, replenishment needs and shelf gaps that surface in every retailer conversation, so that the human relationship carries the trust while technology ensures nothing is lost.

AI at Work Inside Nykaa

Some of the most consequential shifts happened behind the scenes. SamurAI, our internal AI centre of excellence, gave structure and speed to adoption—identifying high-impact use cases, evaluating them against business outcomes and accelerating the journey from experiment to organisation-wide rollout, so progress was coordinated rather than trapped in isolated pilots.

Its most visible expression is the Nykaa Workbench, a common enterprise interface where purpose-built agents read across systems, surface patterns and recommend action: a brand manager can isolate what drove a performance shift, an operations team can detect an issue earlier and intervene with precision.

Our analytics copilot, Pulse, replaces manual SQL with natural-language questions, saving heavy users up to fifteen hours a week. Engineering now builds with AI as an active co-author, helping teams move faster and deliver with greater clarity, momentum, and impact.

Secure, Reliable and Frugal by Design

Scale means little without trust and discipline. FY2026 saw all-time-high platform availability, ISO/IEC 27001:2022 certification, and a security posture that moved from reactive control to proactive resilience with AI now assisting detection, triage and response while critical decisions retain human oversight. At the same time, in-house inference, cloud optimisation and the retirement of costly third-party dependencies drove per-order infrastructure cost down significantly. We did not buy our way to these outcomes; we built them.



Virtual Closet: Bringing the Trial Room to Digital Fashion

Nykaa Fashion introduced Virtual Closet, a first-of-its-kind AI-powered virtual try-on experience built using Google Cloud's AI models, transforming how consumers discover and shop for fashion online.

One of the biggest challenges in online fashion retail has always been visualising how an outfit will look on the individual shopper. While product images, size guides and flexible returns improve confidence, customers still rely on imagination when making purchase decisions.

Virtual Closet bridges this gap by recreating the trial room experience within the Nykaa Fashion app. By uploading a selfie or full-length photograph, customers can generate a personalised, photorealistic AI avatar that is securely saved to their profile. They can then virtually try on outfits directly from product pages, helping them visualise styles on themselves before purchasing.

The feature enables a more personalised, immersive and confidence-led shopping journey while reducing uncertainty in online fashion purchases. Since its launch in May 2026, Virtual Closet has witnessed strong early adoption, with more than 180,000 AI avatars created. Customers using the feature have demonstrated 2x higher conversion, highlighting the potential of AI-powered personalisation to enhance engagement, improve purchase confidence and drive stronger commerce outcomes.

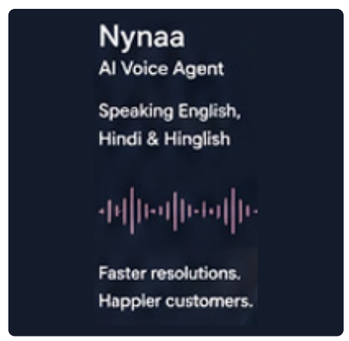


FY2027 and Beyond—The Compounding Decade

From Assistants to Agents: Reimagining Commerce Itself

If FY2026 was the year we built the layers and proved the loop, FY2027 is the year we extend the loop to scale. The next chapter of commerce will not be defined by larger catalogues or faster interfaces alone—it will be defined by relevance. Customers will expect platforms to understand their needs, remember their context, guide their decisions and reduce effort at every step. Nykaa is building precisely for that, and the direction of travel is unmistakable: from copilots that assist, to conversations that advise, to agents that act.

> Where utility commerce optimises for the fastest path from search to checkout, Nykaa optimises for the most confident path from curiosity to choice.



Technology & Digital

An Agentic Shopping Companion

AskNykaa will evolve from a conversational advisor into a genuine shopping companion, aware of a customer's history and preferences through the Customer Cube. It will be able to build a cart, schedule replenishments and follow up after an order, using voice as naturally as text. In Fashion, our AI stylist Muse will shift discovery from a grid of products to a wardrobe of ideas, generating complete styled looks in seconds and rendering them on the customer herself. A Cart Builder will assemble a routine or occasion-ready basket on the customer's behalf, compressing what typically takes ten minutes of browsing into less than a minute. Match Score will provide an at-a-glance confidence indicator, showing how well a product fits a specific customer across skincare, cosmetics, haircare and fragrance.

Personalisation for Everyone—Millions of Storefronts

The ambition is to make every homepage her homepage. In FY2027 we plan to extend real-time, n-of-1 personalisation across the entire active base, not one storefront tuned for the average customer, but millions of storefronts, each re-ranked in the moment and rendered around the individual: a persona-led experience in Beauty, and, in Fashion, a magazine of her moments. This is where the compounding loop pays off most directly: every scan, search, save and try teaches the Customer Cube, and a sharper Cube makes every surface more relevant.

Building for Answer-led Commerce

The way people discover products is changing fundamentally. Increasingly, journeys begin not with a search query and a page of links, but with a question posed to an AI assistant that delivers a direct answer. The next digital shelf may take the form of a single recommendation, a guided conversation or a cart assembled on the customer's behalf. Being discoverable will increasingly depend on being understood, recommended and trusted by intelligent systems before customers reach a shopping platform.

Answer Engine Optimisation (AEO), which ensures Nykaa's authority, expertise and products are accurately represented in AI-generated responses, has therefore become a strategic priority rather than a technical consideration. In FY2027, our ambition is to be the number one answer across the top 1,000 beauty queries on every major AI platform and among the top three answers in fashion. We are also establishing a direct presence where these interactions take place, including Nykaa within ChatGPT and a Model Context Protocol (MCP) ready platform that enables customers to transact through AI agents wherever they engage. Just as APIs transformed the mobile era, we believe MCP will become the foundation for agentic commerce.

Use AI to build AI—The Enterprise Reimagined

Inside the Company, the Nykaa Workbench will become a unified workspace where specialised AI agents access first-party systems and execute end-to-end workflows. A field sales agent will support every business development executive by managing briefings and follow-ups across voice, WhatsApp and the app. Campaign IQ will monitor, predict and optimise performance marketing across Meta, Google and Nykaa's own platforms, evolving from assisted decision-making into a self-optimising engine. A companion tool will enable brand partners to launch optimised campaigns with a single click. Pulse will evolve from an analytics copilot into a root cause analysis agent, reducing investigations that once took two to three days to just minutes. Engineering will also progress from copilot-assisted to agent-driven development, creating an institutional knowledge engine that operates at machine scale.



Secure by Design, Drugal by Choice

As Nykaa becomes more intelligent, automated and connected, our technology foundation must scale with equal discipline. An AI-native world introduces new risks, including AI-generated code vulnerabilities, increasingly sophisticated phishing attacks and greater third-party exposure. In FY2027, we will establish a central governance framework for the secure adoption of generative AI, migrate sensitive data to a centralised vault and strengthen our data protection capabilities. As AI enhances threat detection, human judgement will continue to guide the decisions that matter most. The same discipline will shape our investments through reusable capabilities, shared platforms and focused capital allocation that compounds capability rather than cost.

The Advantage we have Earned

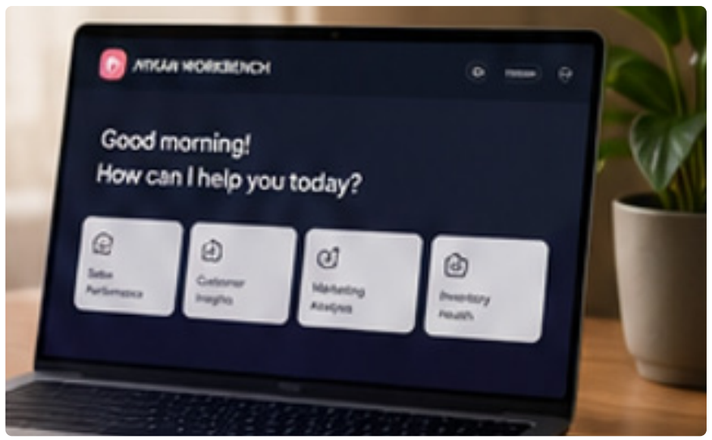
The Moat is not the Model

As AI models become more powerful and more widely available, an important question follows: if the models are commoditising, what creates a durable advantage? For Nykaa, the answer is not the model at all. It is what the model is grounded in—the first-party signal depth, the category expertise and, above all, the trust earned over more than a decade. Customers come to us with intent and confidence. They read, review, search, scan, try, save and return, and every interaction deepens the platform's understanding—but only because the relationship has been built on genuine value and the responsible use of their data.

These principles, personalisation that feels helpful rather than intrusive, advice that is informed rather than generic, and automation that enhances accountability rather than diminishing it, are the foundation of sustainable innovation. In FY2026, this vision moved from concept to reality as AI-powered products went live, our operating model evolved and our intelligence capabilities strengthened.

Our technology journey has always been guided by a simple purpose: serving customers better. AI gives us new ways to fulfil that purpose, but it does not change it. The next era of commerce will belong to platforms that understand customers deeply, earn their trust every day and transform intelligence into seamless experiences. That is the future we are building, with one platform, many journeys and the customer at the centre.





Industry Trends

FORCES RESHAPING BEAUTY AND LIFESTYLE

India's beauty and lifestyle market is entering a defining phase of growth. Rising affluence, expanding discretionary consumption and a digitally native consumer base are reshaping how consumers discover, evaluate and purchase beauty, fashion and lifestyle products.



The Indian consumption story is undergoing a defining demographic and structural shift. Anchored by four powerful structural macro tailwinds compounding over the next decade, our total addressable market (TAM) opportunity is expected to expand to a staggering $100 billion by FY2031 across beauty and lifestyle market in India.

The most significant paradigm shift is the convergence of internal health, ingestible beauty, and preventive wellness. India's Health & Wellness retail sector is projected to reach $27 billion by FY2031. Wellness retail alone represents an organic, immediate TAM addition of $12 billion, expanding our total addressable beauty and wellness opportunity to around $54 billion by FY2031.

Structural Industry Drivers Shaping our Growth

Structural Premiumisation Tailwinds

India's affluent consumer segment (households earning over $35,000 annually) is growing at a 15% CAGR. This expanding affluence, growing urbanisation combined with increasing female workforce participation is driving premium BPC categories to grow at more than double the rate of mass-market BPC. Nykaa holds dominant market share within this precise premium demographic.

The Holistic Wellness Evolution

The modern consumer increasingly views beauty through a holistic lens, blending external cosmetics with internal wellness. This structural shift underpins our aggressive entry into ingestible nutrition, clinical health supplements, and sleep diagnostics, unlocking a massive, untapped consumer wallet share.



AI-Led Discovery and Digital Migration

Online BPC penetration in India is accelerating rapidly toward 34%, led by digitally native Gen-Z and Alpha cohorts who appreciate AI-driven product discovery, complete ingredient transparency, and rapid delivery. Our AI-native tech stack positions us perfectly to capture this ongoing digital migration.

Masstige and Scientifically Backed Homegrown Brands

Indian consumers are displaying a strong affinity and high repurchase rates for homegrown, scientifically formulated clinical brands. The phenomenal success of Dot & Key demonstrates that superior domestic R&D can capture significant market share.

Industry Trends

India's Premium Consumption Opportunity

India is poised to become one of the world's largest premium consumption markets over the next decade, driven by rising affluence, increasing discretionary spending and a rapidly expanding base of digitally native consumers.

Affluence Wave	Discretionary Consumption	Digitally Native Consumers	Nykaa's Addressable Market
FY26 → FY36E	FY26-31E CAGR	FY26 → FY36E	FY26 → FY36E
$3 tr → $6.5 tr	BPC → 12%+	<70% → 85%+	220 mn → 330 mn
Affluent + emerging household income	Fashion → 12%+	*Digital native workforce share [Millennials + Gen Z + Post Gen Z]*	*Online lifestyle shopper base*
	BPC and Fashion expected to grow the fastest in the discretionary space		
2.2x		+15%	+110 mn

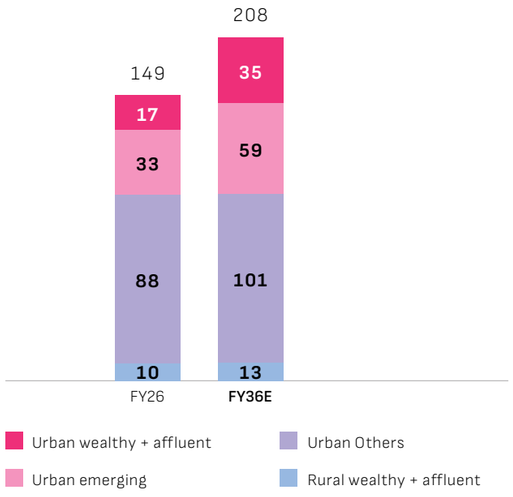
Source: CLSA Report; Redseer, India 2030; India Got Retail 2025.

India's Affluent Consumer Base is Expanding Rapidly

India's affluent and emerging households are expected to increase from 149 million in FY2026 to 208 million by FY2036, with Nykaa's core target audience doubling over the period. Combined with annual discretionary spending of up to $19,000 among urban wealthy consumers, this expanding premium consumer base presents a significant long-term opportunity for premium beauty, fashion and lifestyle brands.

Affluent + Emerging household

(mn)



FY2026 discretionary spending

($)

Nykaa's core TG

$19K Urban wealthy

$9K Urban affluent

$4K Urban emerging

Nykaa's emerging TG

$4K Urban others/rural wealthy + affluent

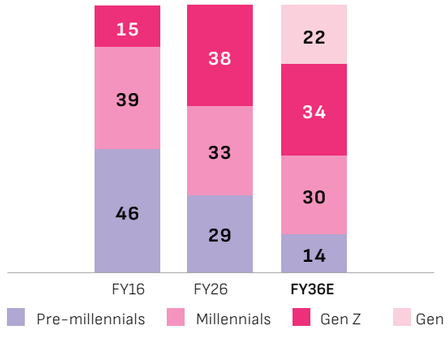
Source: CLSA Report; VISA; India at 100: Fast Economy.

India's Demographic Dividend is Driving Premium Consumption

India's evolving demographic profile is creating a powerful long-term demand engine for premium lifestyle consumption. As Millennials, Gen Z and Gen Alpha become the dominant consumer cohorts, their annual consumption spending is expected to double from $2 trillion in FY2026 to $4 trillion by FY2036.

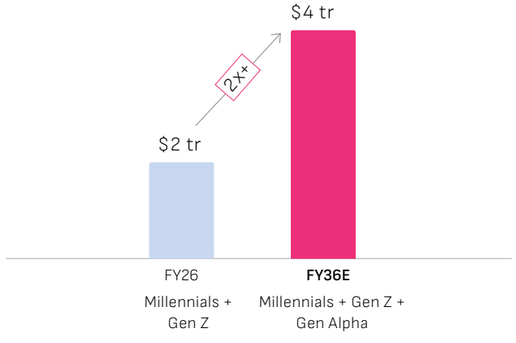
India Working-age Population by Generation

(%)



India Consumption Spend by New-age Consumers

($ tr)



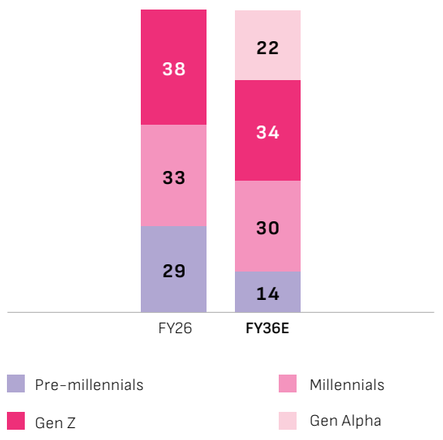
Source: CLSA Report; Redseer (India 2030); BCG Snapshot 2025 Report.

Millennials and Gen Z are Reshaping India's Consumption Landscape

Millennials and Gen Z are emerging as the primary drivers of India's premium consumption story, accounting for over 90% of beauty and fashion spending. Their strong preference for premium beauty, wellness and skincare is redefining discretionary spending patterns, with Gen Z women allocating one-fifth of their discretionary budgets to premium beauty and skincare searches among Gen Z men increasing 9x over the past five years. As these digitally native consumers expand their spending power, they are expected to remain the key growth engine for premium lifestyle categories.

India Working-age Population by Generation

(%)



90%+
Of India BPC + Fashion spends in India led by Millennials + Gen Z

1 in 3
Gen Z consumers allocate 20% of discretionary wallet share to fitness and wellness

1 in 2
Gen Z women allocate 20% of discretionary wallet share to Premium beauty

9x
Increase in skincare searches by Gen Z men in the past 5 years

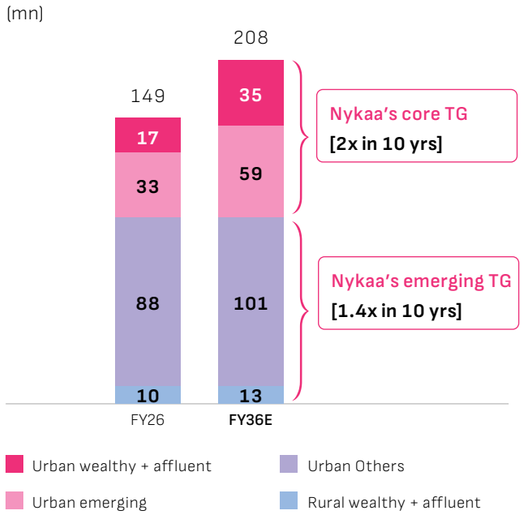
Source: CLSA Report; Redseer Gen Z Report.

Industry Trends

Wellness is Emerging as the Next Frontier of Premium Consumption

India's wellness economy is evolving from reactive healthcare to preventive, integrated living, creating a significant long-term consumption opportunity. Wellness has emerged as the fastest-growing discretionary category, expanding at 15% between FY2023 and FY2026, while affluent consumers now allocate nearly 10% of their discretionary spending to wellness.

Affluent + Emerging Household



Wellness Capturing a Growing Share of the Affluent Consumer Wallet

For Nykaa's Core TG

15%
Fastest growing discretionary category (FY23–26)

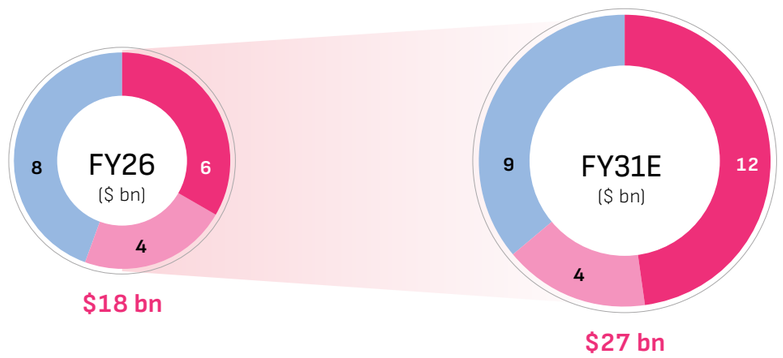
10%
Of discretionary spend allocated to wellness purchases

80%+
Consumers willing to spend more in healthy lifestyle

Source: CLSA report, VISA – India affluent economy

India's Wellness Economy is Entering a High-Growth Phase

India's health and wellness market is projected to grow at a 15% CAGR, expanding from $18 billion in FY2026 to $27 billion by FY2031, with wellness retail expected to double over the next five years. Rising consumer focus on preventive healthcare, nutrition, beauty and holistic wellbeing is accelerating spending across wellness categories.



Wellness retail: Includes VMS, Daily Dietary (31%), Sports (8%), Weight Management (13%), OTC Sleep, Pain, Beauty (32%), etc.
Prescriptive includes Specialist administered supplements, Non-OTC, etc; Services Includes licensed services,

Nykaa is Well Positioned for the Next Growth Phase

India's consumer opportunity is expanding, but the market is also becoming more demanding. Nykaa sits at the intersection of some of India's most attractive consumption vectors: premium, digital and discovery-led. As beauty and fashion become larger, more digital, more premium and more discovery-led, platforms with category depth, consumer trust and integrated capabilities will be better positioned to shape the next chapter of India's lifestyle consumption.

Value Creation Model

CREATING SHARED VALUE TOGETHER

Capital Inputs*

Financial

Capital resources that enable us to fund operations, invest in growth opportunities and create sustainable value, generated through profits and external sources of financing.

Equity: **₹1,502 crores**
Shareholders: **395,677**
Net debt: **₹329 crores**

Digital

Digital ecosystem that powers consumer engagement across our websites, applications and social media platforms.

Mobile applications: **7**
Websites: **12**
Marketing, advertising and selling & distribution spend: **₹1,537 crores**

Infrastructure

Physical infrastructure that supports our omnichannel operations and customer experience, comprising warehouses, retail stores and office facilities.

Beauty stores: **313 across 99 cities**
Retail space: **3.1 lakh sq. ft.**
Warehouse space: **15.2 lakh sq. ft.**
Office space: **1.5 lakh sq. ft.**

Intellectual

Knowledge-based assets and technological capabilities that enable innovation and support our evolving business model, including proprietary platforms, software and data-driven insights.

Web and technology investment: **₹181 crores**
House of Nykaa – Beauty brands: **8**
House of Nykaa – Fashion brands: **5**

Social & Relationship

Relationships and networks that strengthen collaboration and trust across customers, creators, brand partners, suppliers, communities and other stakeholders.

Social media followers: **19+ million**
Influencers: **170,000+**
eB2B distribution: **5 lakh retailers across 1,200 cities**

Natural

Natural resources that support our operations and enable the seamless delivery of products and services.

Electricity Consumed (Non-Renewable): **73,823 GJ**
Energy Consumed (Renewable): **982 GJ**
Water Consumed- **105152 KL**

Human

Talent, capabilities and engagement of our employees that enable sustained growth and performance.

Employees: **4,000+**
Employees below 35 years: **79%**
Leadership below 40 years: **58%**
Women in leadership: **30%**



Value Creation Approach

Beauty

Visits: **1,894 million**
Monthly Average Unique Visitors (MAUV): **~45 million**
Orders: **66 million**
Average Order Value (AOV): **₹2,068**
Annual Unique Transacting Customers (AUTC): **~20 million**
GMV: **₹14,954 crores**

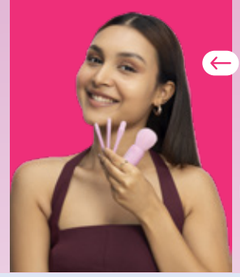
Fashion

Visits: **787 million**
Monthly Average Unique Visitors (MAUV): **24 million**
Orders: **10 million**
Average Order Value (AOV): **₹4,652**
Annual Unique Transacting Customers (AUTC): **4+ million**
GMV: **₹4,954 crores**

Our Output

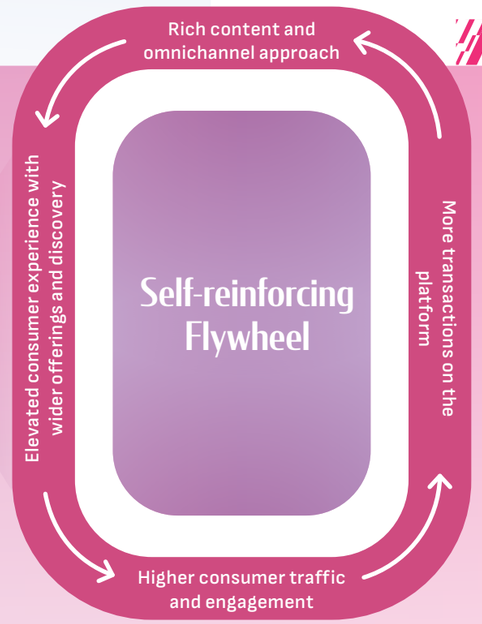
Business segments

Beauty and Personal Care
Inventory model



Fashion
Marketplace, sale or return (SOR and just-in-time inventory model





Value we Create

Investors

Revenue from operations: **₹10,022 crores**
EBITDA: **₹752 crores**
Consolidated Profit after Tax (PAT), including non-controlling interests: **₹204 crores**
Return on Capital Employed (ROCE): **21.2%**
Long-term credit rating: **CRISIL A/Stable**

Customers

Pincodes served: **19,000+**
Cumulative customer base: **55 million**
Nykaa Now: Beauty orders delivered within **36-120 minutes** across the top 13 cities
Average order-to-delivery time: Less than **2.0 days**

Business Partners

Brand partners: **10,000+**
MSME vendors: **8,700+**
Beauty professionals onboarded through Nykaa Pro: **220,000+**

Communities

CSR expenditure: **₹4.3 crores**
Lives impacted: **35,000+**
Women skilled and empowered: **5,600+**

Environment

Corrugated boxes reused: **100%** at all private label warehouses
Waste recycled under EPR: **1,116 metric tonnes**
Paper utilisation for in house order processing: **Zero**

* Data Reported at one Nykaa level

Strategic Priorities

SHAPING THE NEXT PHASE OF GROWTH

Our strategic priorities are designed to capture the next phase of India's beauty and lifestyle opportunity with focus, discipline and agility. As consumers become more digital, more premium and more discovery-led, we continue to deepen acquisition and retention, strengthen relationships with domestic and global brands, expand across channels and value chains, scale House of Nykaa brands and build new ways of connecting with consumers.



Future-Ready Focus

We are building a future-ready lifestyle ecosystem by delivering personalised, AI-led shopping experiences across beauty, fashion and wellness. Through exclusive brand partnerships, omnichannel expansion, technology innovation and seamless fulfilment, we aim to deepen customer engagement, strengthen loyalty and capture India's growing premium consumption opportunity.

Strategic Priorities

Our strategy is centred on strengthening our leadership across beauty, fashion and wellness by expanding our premium brand portfolio, scaling owned brands, enhancing omnichannel capabilities and leveraging data and AI to personalise customer journeys. Supported by a trusted brand, differentiated content-commerce ecosystem and strong execution, we continue to create sustainable value for customers, brand partners and shareholders.

Strategic Outlook

India's premium consumption story is only beginning. Rising affluence, increasing discretionary spending, rapid digital adoption and growing wellness consciousness are expanding the addressable market for premium lifestyle products. With a profitable business model, strong brand equity and continued investments in omnichannel expansion, fulfilment infrastructure, technology and customer acquisition, Nykaa is well positioned to sustain profitable growth while strengthening its leadership across beauty, fashion and wellness.

Executing our Growth Strategy

Driving Customer Acquisition and Retention across the Funnel Journey

- Delivered 25% YoY growth in Annual Unique Transacting Customers (AUTC) for Beauty and 35% YoY for Fashion.
- Expanded the cumulative customer base to 55 million.
- Increased order volumes by 21% YoY in Beauty and 33% YoY in Fashion.

Creating, Acquiring and Scaling a Portfolio of Independent and New-age Consumer-first Brands

- Expanded the House of Nykaa portfolio to 13 owned brands across Beauty and Fashion.
- House of Nykaa brands contributed ~19% of Beauty GMV and ~8% of Fashion GMV.

Deep Relationships with a Diverse Set of Domestic and International Brands

- Curated a portfolio of 10,000+ global and domestic brands, including 4,400+ beauty and ~5,700 fashion brands.
- Enabled distribution for 220 brands across 1,200 cities through the eB2B platform.

Developing New Ways of Selling and Holistic Consumer Connect

- Partnered with 170,000+ influencers to drive discovery and consumer engagement.
- Built a social media community of 19+ million followers across platforms.

Penetrating across the Value Chain and Channels to Address the Larger TAM

- Operated 313 beauty stores across 99 cities in India.
- Strengthened fulfilment capabilities through 44 warehouses spanning 1.52 million sq. ft.
- Served nearly 500,000 retailers through the eB2B business.

Stakeholder Engagement and Materiality

ENGAGING STAKEHOLDERS, SHAPING PRIORITIES

As an ecosystem connecting consumers, brand partners, retailers, employees, investors, communities, regulators and the environment, we engage with each stakeholder group through structured interactions, ongoing dialogue and business-led feedback mechanisms. These inputs guide our materiality assessment, strengthen decision-making and enable us to focus on the issues most relevant to our business strategy, responsibility and sustainable stakeholder value creation.

Stakeholder Engagement

Stakeholder engagement is integral to how we build, deliver and continually evolve Nykaa's omnichannel beauty and lifestyle ecosystem. As a consumer-focused business with a diverse network of customers, employees, investors, brand partners, communities and regulators, we engage regularly to understand evolving expectations, strengthen decision-making and respond proactively to emerging priorities. Through continuous dialogue, structured feedback mechanisms and collaborative interactions across our value chain, we gather valuable insights that help refine business priorities, enhance responsiveness and build lasting stakeholder trust. These engagements also play a critical role in our materiality assessment by identifying the issues of greatest significance to both our business and our stakeholders.

Stakeholder Identification Framework

Dependence
Stakeholders who rely on Nykaa's products, services, or performance

Interdependence
Stakeholders who enable business continuity and long-term value creation

Influence
Stakeholders who can influence Nykaa's strategies, operations, or reputation

Equity lens
Special focus on disadvantaged, vulnerable or marginalised groups as part of Nykaa's CSR and inclusive growth commitments

Engaging Stakeholders through Meaningful Dialogue

Stakeholder Group	Primary Focus Areas	Key Engagement Channels
Investors and Shareholders	• Financial performance • Corporate governance • Regulatory compliance • Long-term value creation	• Annual General Meeting (AGM) • Investor day • Earnings calls • Regulatory disclosures • Press releases • Direct communication
Customers	• Product quality and assortment • Shopping experience • Service excellence • Trust and responsiveness	• Customer surveys • Feedback forms • Customer support channels • Direct communication
Business Partners	• Vendor onboarding • Business performance • Operational excellence • Strategic partnerships	• Collaboration meetings • Performance reviews • Business reviews • Feedback mechanisms
Employees	• Talent development • Learning and capability building • Employee engagement • Wellbeing and workplace experience	• Feedback sessions • Training programmes • Employee surveys • Leadership interactions
Communities and NGOs	• Community development • Inclusive growth • Social impact	• Need assessments • Community consultations • NGO partnerships
Regulators	• Regulatory compliance • Governance • Policy alignment	• Statutory filings • Regular reporting • Regulatory consultations

Stakeholder Engagement and Materiality

Materiality Assessment

Nykaa's materiality assessment enables the Company to focus on the ESG issues that are most relevant to its business model, operating context and stakeholder expectations. The assessment is informed by industry benchmarking, recognised sustainability frameworks, stakeholder inputs and an evaluation of the issues with the greatest significance to both the business and its stakeholders. The resulting materiality matrix is approved by the CSR & ESG Board Committee and serves as a key reference for sustainability priorities, management decision-making, and ESG disclosures, ensuring that resources and actions are focused on the issues that matter most.

To remain relevant in a dynamic business environment, the assessment is reviewed periodically in line with evolving business priorities and stakeholder expectations, with the most recent materiality refresh undertaken in FY2025. To achieve this, we adopted the following approach:

Our Materiality Assessment Process

Identify

Identify material ESG topics through peer benchmarking and review against recognised frameworks and standards, including:

- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- MSCI ESG Ratings
- S&P Global CSA
- United Nations Sustainable Development Goals (SDGs)

Engage

Engage with leadership and key stakeholders.

Validate priorities, understand stakeholder expectations and identify emerging ESG topics.

Prioritise

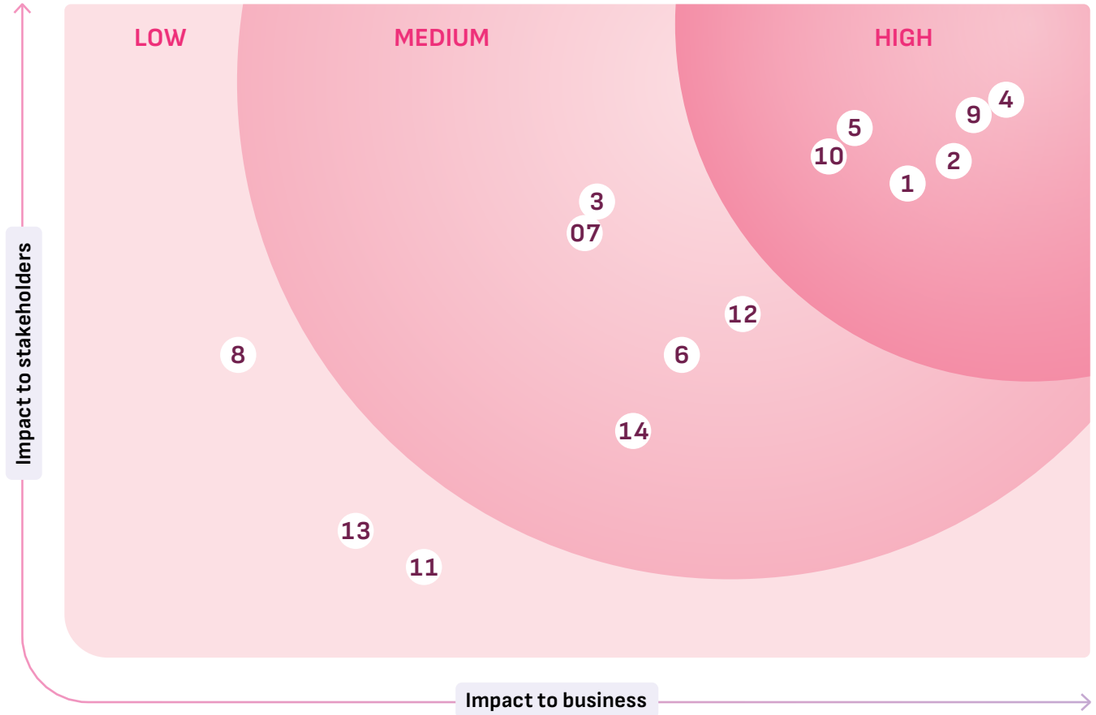
Assess each ESG topic based on its significance to the business and stakeholders.

Consider financial, operational and reputational impacts during the evaluation.

Map

Develop a materiality matrix based on the assessment outcomes.

Use the matrix to guide sustainability strategy, management focus and ESG disclosures.



Material Topics

1. Product safety and quality
2. Responsible marketing and customer satisfaction
3. Diversity, equity and inclusion
4. Human rights
5. Talent attraction and retention
6. Employee health, safety and well-being
7. Responsible supply chain
8. Community development
9. Governance, ethics and compliance
10. Data privacy, digitalisation and innovation
11. Climate change, GHG emissions and energy efficiency
12. Packaging and waste management
13. Water efficiency
14. Sustainable materials

ONE ECOSYSTEM. MANY STAKEHOLDERS. SHARED SUCCESS.



At Nykaa, every relationship contributes to the strength of our ecosystem. We engage proactively with our diverse stakeholder groups to understand evolving expectations, foster collaboration and create long-term value. Through transparent communication, responsible business practices and continuous dialogue, we build trust, strengthen partnerships and make informed decisions that support sustainable growth. The insights gained through these engagements enable us to enhance customer experiences, empower our people, deepen partner relationships, uphold robust governance and generate enduring value.

Our Key Stakeholders

Investors
Pg 80

Customers
Pg 84

Business Partners
Pg 90

Regulators
Pg 94

Employees
Pg 100

Communities
Pg 106

INVESTORS

We maintain regular and transparent communication with our stakeholders through multiple channels, including corporate announcements, email communications, stock exchange filings, newspaper advertisements, website updates, press releases, quarterly earnings calls, Investor Day, the Annual General Meeting (AGM) and ongoing investor engagements.



Frequency of Engagement

Quarterly

Key Priorities

- Strengthen Corporate Governance
- Enhance Transparency and Disclosure
- Accelerate Sustainable Growth
- Drive Operational Excellence
- Deliver Financial Performance

Material Topics

- Data privacy, digitalisation and innovation
- Governance, ethics and compliance

SDGs Impacted

Investors

STRENGTHENING SHAREHOLDER VALUE

At Nykaa, we believe in transparent governance, clear financial disclosures, and active engagement with our investors. By aligning our strategy and financial performance with shareholder interests, we aim to deliver sustainable growth and long-term value creation. Through FY2026, our institutional and public shareholders continued to see value creation as we remained focused on profitable growth and disciplined capital allocation



₹235
Share price
+31%
YoY as on March 30, 2026

395,677
Shareholders

52.09%
Promoter shareholding

38.79%
Institutional shareholding

9.12%
Public shareholding
(Including 3.55% held by NRIs & Foreign Nationals)

100%
Shareholder complaints resolved

CRISIL A – Stable
Long-term credit rating

Fostering Shareholder Trust

We remain deeply committed to building enduring, trust-based relationships with our investment community. A cornerstone of this commitment is our evolution toward greater financial transparency. By providing granular, comprehensive insights into our two core business segments—Beauty and Fashion through regular disclosures including quarterly results, quarterly revenue updates, and annual disclosures, we empower shareholders to accurately evaluate segment-level performance and clearly track our strategic capital allocation for future growth.

Active Investor Engagement

In addition to quarterly earnings calls, Nykaa hosts an annual Investor Day, where senior leadership presents the strategy of each business to over 150 analysts and investors, with the event also webcast live. The Company regularly conducts one-on-one meetings with analysts and investors, and participates in leading global investor conferences through keynote sessions, panel discussions and fireside chats. It also organises annual investor visits to Nykaaland and regular store visits, offering immersive interactions with brands, influencers, leadership and first-hand insight into the Nykaa shopping experience and beauty category.

Driving Sustainable, Profitable Growth

We remain committed to delivering healthy, profitable growth with efficient capital utilisation and building strong unit economics. Our revenue from operations grew by 26% YoY, reaching ₹10,022 crores in FY2026. During the same period, our EBITDA reached ₹752 crores, growing by 59% YoY, ahead of revenue growth. The EBITDA expansion was supported by operational excellence coupled with scale efficiencies. Our PAT grew by 183% YoY, achieving ₹204 crores in FY2026.

Value we created (FY2023-26 CAGR)

27%
GMV

25%
Revenue from Operations

114%
PAT

43%
EBITDA

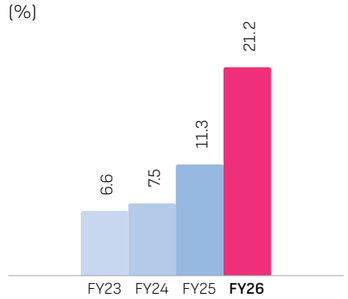
0.2x
Net Debt-to-Equity Ratio (FY2026)

₹276 cr
FCFF in FY2026
(from ₹465 crores in FY2023)

Disciplined Capital Allocation Across Core Verticals

Our relentless focus on balance sheet discipline has delivered a significantly stronger return profile. Working capital efficiency improved sharply during the year, with our operating cycle reducing to 28 days from 34 days in FY2025, aided by faster inventory turnover. Asset productivity also remained strong, with fixed asset turnover improving to 9.9x from 9.1x in FY2025. Net debt nearly halved to ₹329 crores in FY2026. As a result, Return on Capital Employed (ROCE) expanded by nearly 1,000 basis points to 21.2% in FY2026 from 11.3% in FY2025.

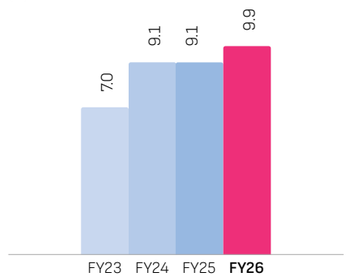
ROCE



EBIT doubled in last 1 year

Net debt reduction of 47% from ₹623 crores to ₹329 crores

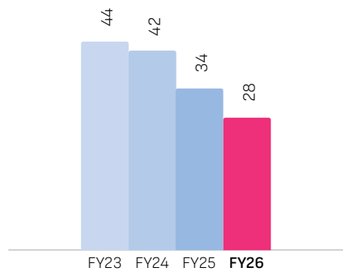
Fixed Asset Turnover



Lower warehouse and store intensity relative to turnover

Rising salience of asset-light businesses such as Fashion and House of Nykaa

Working Capital Days



Improving working capital efficiency
Inventory days were lower by 4 days while receivables improved by 2 days

CUSTOMERS

Staying connected with customers across every touchpoint through compelling storytelling, seamless omnichannel experiences, meaningful social engagement and responsive customer support, strengthening relationships, building trust and fostering brand loyalty.



Frequency of Engagement

Regularly

Key Priorities

- Curated portfolio of leading brands and a comprehensive assortment that delivers differentiated, relevant choices
- Seamless omnichannel shopping experience complemented by a content-led discovery and engagement ecosystem
- Trusted platform offering authentic products, high service standards and personalised customer experiences
- Secure, privacy-focused digital ecosystem underpinned by responsible and ethical business practices

Material Topics

- Product safety and quality
- Data privacy, digitalisation and innovation
- Responsible marketing and customer satisfaction
- Sustainable materials

SDGs Impacted



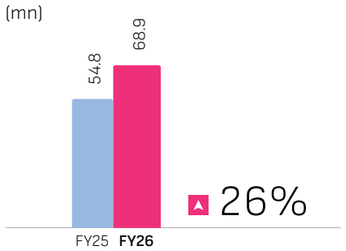
Customers

EMPOWERING EVERY EXPRESSION

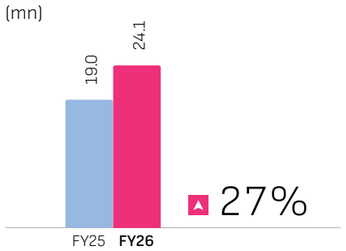
We are redefining the way people discover, shop and experience beauty, and fashion. Through a thoughtfully curated assortment of leading brands and innovative products across our omnichannel ecosystem, we make inspiration and choice accessible to everyone. Guided by customer insights and feedback, we cultivate lasting relationships built on trust, authenticity and convenience. Above all, we empower every individual to express their unique identity with confidence, making beauty and fashion more inclusive, personalised and accessible.



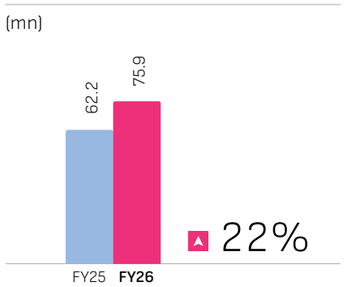
Monthly Average Unique Visitors



Annual Unique Transacting Customers



Orders



YoY Growth

55 mn+
Customer base

2.5 bn
App visits

Building Relationships Beyond Transactions

At Nykaa, every customer interaction is designed to inspire discovery, build trust and create lasting value. Our content-first omnichannel ecosystem seamlessly integrates content, commerce and convenience, enabling customers to discover, learn and shop confidently across digital platforms and physical stores. By combining curated assortments, personalised experiences and expert-led guidance, we continue to redefine beauty, wellness and fashion retail for the modern consumer.

Customer insights remain at the heart of our strategy. We leverage data, emerging trends and continuous feedback to refine our offerings, strengthen engagement and deliver experiences that are increasingly relevant and personalised. This customer-centric approach enables us to build enduring relationships that extend well beyond every transaction.

Curating Experiences That Inspire

We leverage consumer insights, market intelligence and trend forecasting to curate a differentiated portfolio of global, homegrown and owned brands. By continually introducing innovative products, exclusive launches and emerging categories, we ensure our assortment remains relevant to evolving customer aspirations.

Elevating Every Retail Interaction

Our omnichannel ecosystem brings together digital discovery, immersive retail experiences and expert-assisted shopping. Through content-led engagement, personalised recommendations, beauty advisors and experiential stores, we create seamless journeys that inspire confidence and drive deeper customer engagement.

Trust at the Core

Trust underpins every customer relationship. We uphold rigorous quality standards, partner with trusted brands and maintain robust quality assurance processes to ensure every product is authentic, safe and reliable. This unwavering commitment reinforces customer confidence across every purchase.



Customers

Simplifying Every Shopping Journey

We combine digital convenience with personalised in-store experiences to create a truly connected shopping ecosystem. Supported by beauty advisors equipped with digital tools, seamless fulfilment and AI-powered assistance, customers enjoy a consistent and engaging experience across every touchpoint.

Bringing Brands Closer to Customers

From exclusive launches and marquee campaigns to immersive beauty events and creator-led communities, we connect customers with brands through engaging experiences that foster discovery, deepen engagement and strengthen brand affinity.

Enabling Informed Choices

We simplify product discovery through rich content, expert reviews, creator-led recommendations and personalised guidance. By combining technology with human expertise, we empower customers to make informed decisions that align with their individual preferences, needs and lifestyles.

Resolving Every Concern with Care

Customer experience remains at the heart of our service approach. Our Customer Support team follows a structured process to ensure every customer complaint is heard, addressed, and resolved in collaboration with the right stakeholders. We continue to strengthen our resolution frameworks through ongoing learnings, helping us respond faster and more effectively to evolving customer needs.

To further enhance convenience, voice bots are now live to provide prompt and uninterrupted support for customers reaching out with basic order-related queries. These bots guide customers toward quick solutions, enabling a smoother and more seamless service experience. We remain committed to delivering exceptional service and continuously improving every customer interaction.

AI-Enabled Customer Care

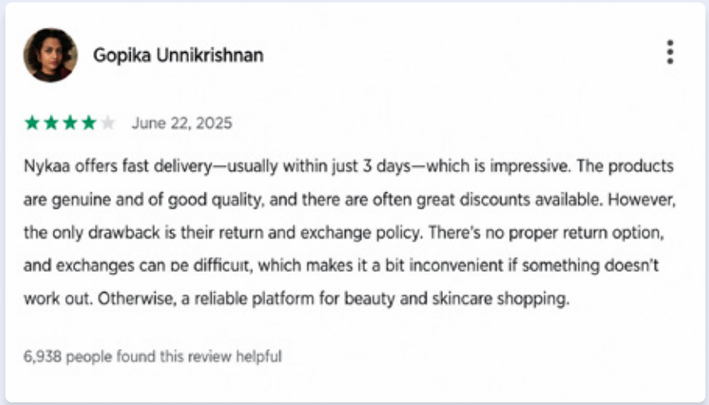
We are embedding Generative AI across customer service to deliver faster, smarter and more personalised support. AI-powered self-service capabilities enable customers to resolve routine queries independently, while our service teams focus on complex interactions, ensuring timely, transparent and empathetic resolutions.

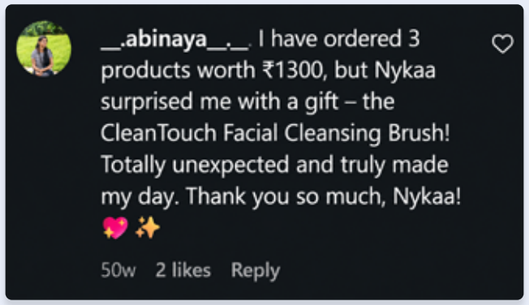
100%

Customer complaints resolved in FY2026



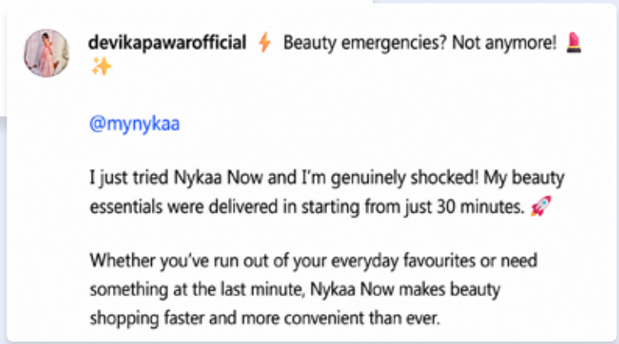
Testimonials from our Customers











BUSINESS PARTNERS

We engage stakeholders through in-person meetings, telephonic discussions, email communication, annual stakeholder forums, training programmes and collaborative workshops, fostering transparent dialogue, strengthening relationships, gathering valuable feedback and enabling meaningful collaboration to support informed decision-making.



Frequency of Engagement

Regularly

Key Priorities

- Business performance and financial growth
- Operational excellence and resource efficiency
- Expanding customer reach and engagement
- Technology-driven operational excellence
- Brand growth and portfolio expansion

Material Topics

- Product safety and quality
- Responsible marketing and customer satisfaction
- Responsible supply chain
- Data privacy, digitalisation and innovation
- Human rights
- Sustainable materials

SDGs Impacted



Business Partners

NURTURING ENDURING PARTNERSHIPS

Our business is built on the strength of enduring partnerships across the beauty, fashion and lifestyle ecosystem. From global and homegrown brands to suppliers, MSMEs, logistics partners and influencers, every collaborator plays an integral role in delivering seamless and differentiated customer experiences.

We foster these relationships through transparent collaboration, technology-enabled operations, joint planning and responsible business practices. By continuously investing in digital capabilities, supply chain excellence and sustainable partnerships, we create shared value while supporting long-term growth for our partners and our business.



10,000+
Brand partners

7
Logistics partners

8,700+
MSME partners

Strengthening Partnerships through Collaborative Planning

Our Collaborative Planning, Forecasting and Replenishment (CPFR) framework enables us to work closely with brand partners to improve supply chain agility, strengthen inventory management and enhance product availability. By integrating planning processes and sharing insights, we create a more responsive and efficient ecosystem that supports mutual growth.

Collaborative Forecasting

We jointly forecast demand for more than millions of beauty and lifestyle SKUs through an integrated Sales and Operations Planning (S&OP) process involving our business teams and brand partners. Supported by AI-powered demand sensing, this collaborative approach improves forecast accuracy, optimises inventory planning and enables faster responses to changing consumer demand.

Intelligent Replenishment

Our Auto Replenishment System (ARS) dynamically manages lead times and demand variability to maintain optimal inventory levels across our fulfilment centres and stores. Advanced allocation capabilities and frequent replenishment cycles, developed in collaboration with our brand partners, improve stock availability while supporting lean inventory management.

Integrated Supply Chain Network

Our expanding fulfilment and distribution network enhances product availability, accelerates deliveries and broadens market access for our partners. By creating complementary assortments across our online and offline channels, we improve cross-selling opportunities, optimise inventory deployment and strengthen omnichannel growth for our partner ecosystem.

Automation for Operational Efficiency

- Automate routine workflows to improve productivity
- Reduce turnaround times across operations
- Enhance service quality through intelligent automation
- Optimise resource utilisation and operating costs

Collaborative Digital Initiatives

- Strengthen partner integration through EDI
- Digitise the end-to-end order lifecycle
- Accelerate order processing and improve fill rates
- Enhance inventory freshness and working capital efficiency
- Enable real-time master data visibility

AI-powered Customer Experiences

- Deliver personalised interactions through AI and analytics
- Enable always-on digital engagement and virtual consultations
- Enhance customer experience across omnichannel touchpoints

Sustainable and Responsible Partnerships

- Promote responsible sourcing across the value chain
- Expand the use of recyclable and eco-friendly packaging
- Reduce single-use plastics through supplier collaboration
- Enable localised fulfilment to lower environmental impact
- Support MSMEs in building a resilient supply ecosystem

REGULATORS

We engage with industry associations, trade bodies and regulatory authorities to stay aligned with evolving policies, industry developments and best practices. Through regular interactions, timely disclosures and proactive compliance, we uphold transparency and responsible governance.



Frequency of Engagement

Regularly

Key Priorities

- Transparent and ethical business practices
- Timely regulatory compliance and statutory disclosures
- Responsible and timely tax compliance
- Active support for Central and State Government initiatives and development programmes

Material Topics

- Product safety and quality
- Labour management
- Privacy and data security
- Business ethics and values
- Marketing and labelling

SDGs Impacted



Regulators

COMMITTED TO COMPLIANCE

We foster transparent and collaborative relationships with regulatory authorities while maintaining rigorous compliance with applicable laws and regulations. Through proactive engagement and robust governance processes, we promote ethical conduct, accountability and responsible business practices.



Regulatory Framework	Business Relevance	Our Compliance Approach
Consumer Protection Act 2019 with E-Commerce Rules 2020	• Retail trade • E-commerce trade • Website compliance • Products claims	• Company vendor onboarding policy • Invoice terms, e-commerce terms/conditions • Returns Policy and appointment of Grievance redressal mechanism with grievance/nodal officer • Dark Patterns compliance with Websites and Mobile applications
The Drugs and Cosmetic Act 1940 and The Cosmetics Rules, 2020	• Cosmetic products manufacturing own and contract • Cosmetic product manufacturing and export • Cosmetic products labelling and advertising • Drug Pharmacy Licence • Wholesale Licence for Medical Devices and OTC Drugs	• Cosmetic Imports – CDSCO permission for all cosmetic import • Own Brands Manufacturing – Contract manufacturing and Policy for Quality and Safety management • Labelling – Artwork management process for product declaration and compliance • Storage and Sales of OTC and Medical Devices • Pharmacist and Responsible person for operation management • GHP at Warehouse for storage and Records management
Food Safety and Standards Act, 2006	• Distributor and Trader Licence for B2B business • Food Safety Management Scheme Implementation • Nutraceuticals Manufacturing and Marketing	• E-commerce Food Licence • Documentation management • Vendor onboarding policy for Safety and Quality • FoSCoS - Food Safety Compliance System for Food products Manufacturing, Marketing, Storage, Distribution and Marketing with e-commerce business
Advertising Standards Council of India	ASCI – self-governing for advertising and fair in trade practice	• Claim verification and validation through supporting documentation • Substantiation of marketing and product claims through appropriate supporting evidence

Regulatory Framework	Business Relevance	Our Compliance Approach
Bureau of Indian Standards Act 2016	• Import of Electronic fashion accessories • Local manufacturing and import of Footwear • Quality of Cosmetic Products • Quality certification for local manufacturing and import of electronics for household appliances	• Overseas and local site registration and QCO of the product • Vendor Import permission • Vendor agreement for compliances • Product quality testing and product stamping and markings • BIS standard implementation for feedback and ratings management
Legal Metrology Act 2009 and Packaged commodity Rules 2012	• E-Commerce Site Compliance • Products Labelling Compliances • Dealer Licences • Cosmetic Products – Import, Local Manufacturing and Packing	• LM registration for Importer/Manufacturer/ Packers Registration • Labelling compliance management • Product model approval
Ministry of Environment and Forests – Central Pollution Control Board (Plastic Waste Management and E-Waste Management)	• Plastic Waste Management EPR compliances for Imported Products • Plastic Waste Management - EPR activities for Own brand manufacturing, Imports and Marketing.	• CPCB – Plastic Waste management registration • Recycling of the plastic waste via registered vendor • Annual Filling of the waste recycled. • EPR on-going compliance for 100% target achievement • E-Waste recycling via registered vendor • Developing plans and strategies to reduce plastic use through reuse and replacement. • Reducing emissions through the adoption of sustainable and renewable energy alternatives.
Ayurvedic Unani and Siddha (AYUSH)	Ayurvedic proprietary formulation – Contract manufacturing and marketing	• Ayush-certified manufacturing • Labelling compliance • Product testing and Quality and Safety Management

Regulators

Navigating a Dynamic Regulatory Landscape

We operate in a highly regulated environment and maintain a robust compliance framework to ensure adherence to applicable laws, regulations and industry standards across our businesses. Our framework spans consumer protection, e-commerce, cosmetics, food safety, medical devices, packaging, environmental stewardship, advertising, taxation and corporate governance.

We continuously monitor regulatory developments, strengthen internal controls and update our policies and processes to remain compliant with evolving requirements. Through proactive engagement with regulatory authorities and a culture of accountability, we reinforce transparency, uphold ethical business practices and build lasting stakeholder trust.

Strengthening Payment Security

We achieved PCI DSS compliance, reinforcing the security of card transactions across our platform. This milestone enhances customer data protection, reduces dependence on individual payment gateways for stored card tokens and provides greater flexibility, resilience and trust across our payment ecosystem.



Embedding Compliance across the Organisation

Capability Building

We strengthen compliance through regular training programmes, clearly defined operating procedures, compliance checklists and periodic internal audits.

Cross-functional Governance

We work in collaboration with all internal and external stakeholders as Legal, HR, SCM, Business and Operation team to embed compliance into day-to-day and driving compliance policy implementation.

Digital Compliance Management

We leverage Legatrix to monitor regulatory obligations, track compliance status, automate reporting and strengthen governance oversight.

Continuous Monitoring

We conduct regular compliance reviews and impact assessments to identify regulatory changes, address emerging risks and implement timely corrective actions.

Industry Engagement

We actively participate in industry associations and forums to stay abreast of evolving regulations, emerging market practices and policy developments.

Collaborating to Shape the Regulatory Landscape

Confederation of Indian Industry (CII)

Through our association with CII, we collaborate with industry peers to build consensus, exchange best practices and contribute to policy advocacy and consultative forums.

Federation of Indian Chambers of Commerce & Industry (FICCI)

We engage with FICCI to contribute to policy dialogue, address industry challenges and remain prepared for evolving regulatory developments.

Retailers Association of India (RAI)

As an active member of RAI, we share industry insights and operational perspectives to support constructive engagement with policymakers and help shape a progressive retail ecosystem.

Indian Beauty & Hygiene Association (IBHA)

We collaborate with IBHA to address policy and regulatory matters impacting local manufacturing, imports and our owned brands. Through active participation in industry committees, we contribute to regulatory discussions with the CDSCO and other government authorities.

100%
Complaints from customers, employees and investors resolved

Nil
Cases of child labour, forced labour, discriminatory employment or human rights violations

Nil
Sexual harassment complaints received

Nil
Cases related to unfair trade practices, misleading advertising or anti-competitive conduct



EMPLOYEES

Creating a workplace where every Nykaaite feels valued, heard, empowered and inspired through continuous learning, meaningful recognition, an inclusive culture and authentic connections that support personal growth, collaboration and success.



Frequency of Engagement

Regularly

Key Priorities

- Positive and enabling work environment
- Employee well-being and satisfaction
- Talent management
- Skill enhancement through Nykaa Academy
- Leadership connect for continuous mentorship
- Embodying our values and organisational essence

Material Topics

- Diversity, equity and inclusion Human rights
- Talent attraction and retention Employee health, safety and well-being Governance, ethics and compliance
- Data privacy, digitalisation and innovation

SDGs Impacted



Employees

EMPOWERING EVERY NYKAAITE

Our people are the driving force behind our growth, innovation and customer obsession. Our team of 4,072 Nykaaites brings together diverse perspectives, entrepreneurial thinking and a shared passion for creating exceptional experiences for millions of customers across India. We are committed to fostering a workplace where everyone feels valued, respected and empowered to do their best work.

We continue to invest in learning, capability building and leadership development to help every Nykaaite build future-ready skills and realise their full potential. Guided by a culture of trust, openness and belonging, we encourage collaboration, continuous feedback and meaningful connections across our corporate offices, fulfilment centres and retail stores. By nurturing an inclusive environment where every voice matters, we are building a stronger organisation that grows together with its people.



Workforce Dashboard

4,072
Permanent Nykaaites

30%
Women in leadership roles

43%
Workforce gender diversity

1,465
New Nykaaites welcomed during the year

35%
Talent hired through employee referrals

3,281
Employees trained during the year

100%
Enrolment in Nykaa Academy

₹772 cr
Employee benefit spend

Attracting the Right Talent

Our talent acquisition strategy focuses on bringing in individuals who are passionate, entrepreneurial and aligned with Nykaa's culture and values. We source talent through a balanced mix of employee referrals, campus hiring, digital platforms and specialist recruitment partners, helping us build diverse, high-performing teams. Employee referrals contribute 35% of our hiring mix, supporting both quality hiring and our 43% workforce gender diversity.

The employee experience begins well before day one. Structured onboarding programmes and regular interactions with our People Partners help new hires integrate seamlessly into the organisation and build meaningful connections from the outset.

We continue to strengthen our employer brand through authentic employee stories, social media engagement and targeted outreach that showcase life at Nykaa. Our recruitment approach is guided by data and aligned with business priorities, ensuring that hiring decisions support productivity, organisational growth and long-term capability building.

Our Core Culture Pillars

Our organisational experience is anchored in six foundational values that shape every aspect of the employee lifecycle, from strategic hiring and continuous development to holistic engagement and value-based recognition:

- **Be Bold and Be Good**
- **Be Better Every Day**
- **Be the Customer's Champion**
- **One Nykaa**
- **A Culture of Belonging**
- **Sustainability in Every Action**



Employees



Meritocracy, Equal Opportunity and Fair Pay

At Nykaa, we believe that great work deserves meaningful recognition. Our Total Rewards philosophy is built on the principles of fairness, meritocracy and transparency, ensuring that performance, potential and impact are recognised consistently across the organisation. These principles guide every stage of the employee journey, from hiring and development to performance management and career progression.

We are committed to providing equal opportunities and maintaining pay parity across comparable roles. Through regular benchmarking against industry standards, we ensure our compensation practices remain competitive, equitable and aligned with our ambition of attracting, engaging and retaining high-performing talent.

Culture of Listening and Employee Connects

At Nykaa, open communication is central to our culture. We encourage employees to share ideas, feedback and concerns through multiple formal and informal channels, creating an environment built on trust, transparency and continuous dialogue. These listening platforms help strengthen collaboration, enhance the employee experience and ensure every Nykaaite has an opportunity to be heard.

- **Leadership Connect:** Direct interactions with senior leaders to foster transparent communication and share employee perspectives.
- **Central Town Halls & Fireside Chats:** Organisation-wide forums to discuss business updates, celebrate milestones and address employee questions.
- **Business & Functional Town Halls:** Team-specific sessions that encourage dialogue on business priorities, challenges and opportunities.
- **Off the Record:** Informal conversations that create a safe space for candid discussions and open exchange of ideas.
- **Meet the CEO:** Regular opportunities for employees to engage directly with the CEO and CXO, share feedback and discuss ideas.
- **Listening Channels:** Multiple feedback mechanisms designed to capture diverse employee perspectives across the organisation.
- **Manager & Skip-level Connects:** Regular one-on-one and skip-level conversations that strengthen communication, coaching and career development.
- **SpeakUp & Whistleblower Platform:** Confidential channels for reporting concerns, seeking guidance and upholding ethical practices.
- **New Hire Feedback:** Structured check-ins at 7, 30 and 90 days to understand the onboarding experience and drive continuous improvement.

Strengthening Engagement Across Nykaa

At Nykaa, we believe that meaningful connections create a stronger workplace. Guided by the philosophy of 'In Giving, We Receive', we foster a culture where employees come together to celebrate achievements, support communities and create shared experiences. From volunteering initiatives and festive celebrations to milestone events and everyday moments of appreciation, we strive to create an environment where every Nykaaite feels connected, valued and inspired to contribute

- **Nykaa Gives:** Our flagship volunteering and community engagement programme that encourages employees to create a positive impact beyond the workplace.
- **Chairperson's Annual Awards & Recognition:** Celebrating exceptional performance, innovation and contributions that drive business success.
- **Long Service Awards:** Recognising the dedication and commitment of employees who have been integral to Nykaa's growth journey.
- **Local & Functional Town Halls:** Bringing teams together to share updates, celebrate achievements and recognise individual and team accomplishments.
- **Festivals & Celebrations:** Creating opportunities for employees to connect through cultural celebrations, festive events and company milestones that strengthen our sense of belonging.

Learning, Upskilling and Future-Ready Capabilities

At Nykaa, learning is embedded into the way we work. We invest in building future-ready capabilities through leadership development, functional upskilling, digital learning platforms and innovation-led experiences that empower every Nykaaite to grow, collaborate and lead with confidence.

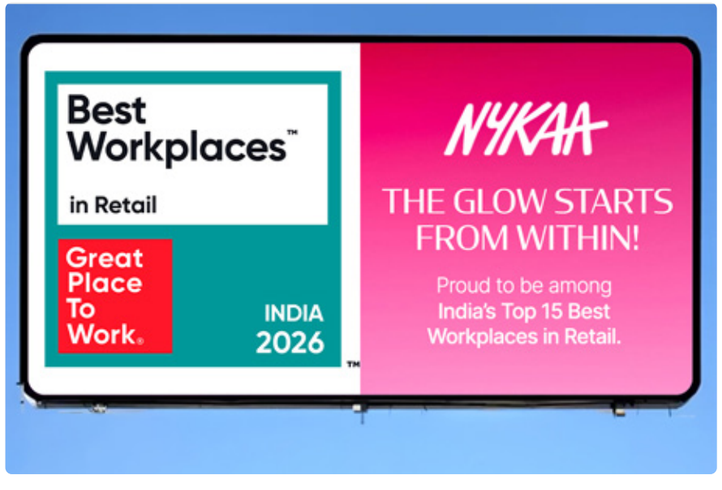
From first-time managers to technology specialists and store teams, our learning ecosystem is designed to support continuous development while strengthening organisational capability.

Industry Recognition

Our commitment to creating an exceptional employee experience continues to be recognised externally. In 2025, Nykaa Retail Beauty was named among India's Top 15 Best Workplaces™ in Retail and earned the Great Place To Work® certification. Based on employee feedback through the Trust Index™ Survey, this recognition reflects our culture of trust, inclusion, ownership and continuous growth.

Key Learning Initiatives

- **Leadership Coaching:** Executive coaching delivered by a global leadership coaching partner to strengthen leadership effectiveness, collaboration and cultural alignment.
- **Nykaa Manager Programme (NMP):** Supported over 340 managers through structured learning focused on managing self, leading teams and building high-performing organisations.
- **PACE Career Development Programme:** A tailored development initiative for high-potential store talent, combining capability-building modules with executive mentoring.
- **Nykaa x Coursera:** Expanded access to self-paced professional certifications, recording 2,070+ learning hours through globally recognised learning content.
- **Learning in the Flow of Work:** Learning integrated into day-to-day performance, averaging 18 learning hours per full-time employee, a 12.5% YoY increase.
- **Tech Innovation Hackathons:** Collaborative initiatives such as BugBash and Code'athon, organised with Microsoft, encouraged problem-solving, experimentation and innovation.
- **TechNova 1.0 (with AWS):** A 48-hour engineering hackathon that challenged teams to develop technology-led solutions to transform Nykaa's digital future.
- **Y-2-AI Hackathon 2025:** Focused on building AI-powered Minimum Viable Products (MVPs), including Agentic AI applications, automation, advanced analytics and hyper-personalised customer experiences.
- **Google Skills Platform:** In partnership with Google Cloud, employees gained access to 3,000+ technical courses and hands-on labs across cloud technologies and AI.
- **How Do I GenAI? — The Insight Hour:** A weekly knowledge-sharing forum where teams and external experts showcased practical GenAI use cases to drive innovation and operational excellence.



COMMUNITIES

We create opportunities that enable individuals and communities to thrive. Our CSR initiatives focus on beauty and wellness skilling, education, healthcare, women's empowerment and community development, delivered in partnership with trusted organisations to generate sustainable social impact.



Frequency of Engagement

Regularly

Key Priorities

- Beauty Skilling and Entrepreneurship
- Research & Study – Women Empowerment Index
- Education
- Healthcare
- Inclusivity Through Sports Development

Material Topics

- Governance, ethics and compliance
- Community development

SDGs Impacted

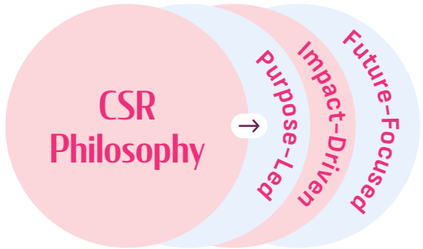


Communities

GROWING WITH COMMUNITIES

We believe meaningful progress is built on empowerment, inclusion, and access to opportunity. Our CSR initiatives are designed to create lasting social value by enabling individuals, particularly women and underserved communities, to build confident, independent, and sustainable futures.





Our Approach is Guided by Four Core Principles:

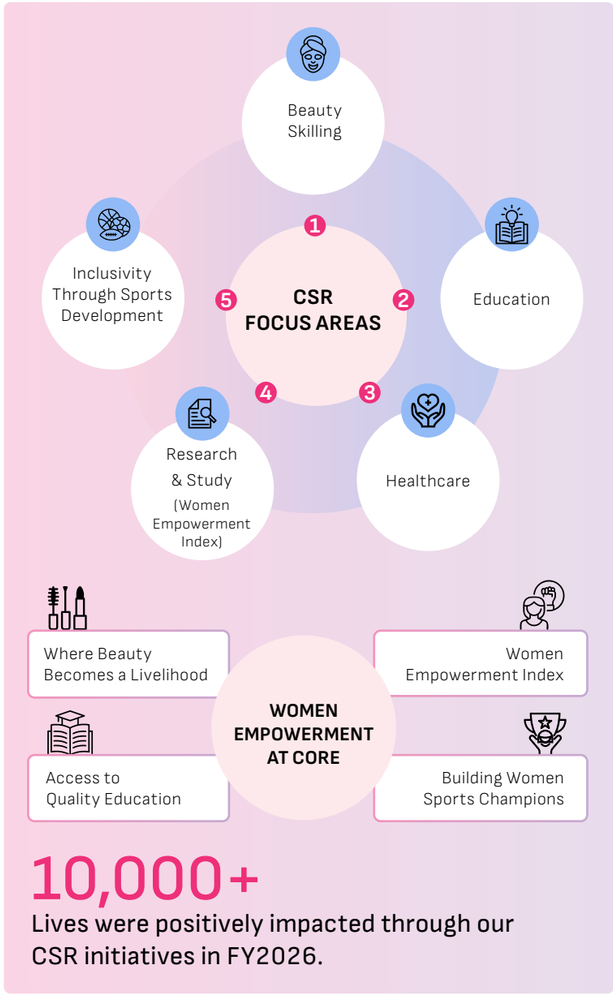
Meaningful
Addressing evolving community needs through relevant and impactful interventions.

Scalable
Expanding programmes to reach more individuals while strengthening outcomes over time.

Sustainable
Creating long-term value by enabling self-reliance and resilient communities.

Inclusive
Ensuring equitable access to opportunities for individuals across diverse backgrounds.

By working closely with our partners and local communities, we strive to create an ecosystem where potential is nurtured, barriers are reduced, and aspirations can be realised.



10,000+
Lives were positively impacted through our CSR initiatives in FY2026.



Communities

Our Focus Areas and Partners

Focus Areas	Partners	SDGs
Beauty Skilling and Entrepreneurship	· Sambhav Foundation · Beauty & Wellness Sector Skill Council · Delhi Council for Child Welfare · Aatapi Seva Foundation · Vipla Foundation · Latika Roy Memorial Foundation · Desai Foundation · YouthNet	1, 5, 8, 9, 10
Education	· American India Foundation · Akanksha Foundation · Create Foundation	4, 5, 10
Research & Study - Women Empowerment Index	· National Council of Applied Economic Research (NCAER)	5, 9, 10
Inclusivity through Sports Development	· Indian Deaf Cricket Association · Slum Soccer	5, 10
Healthcare	· Anushkaa Foundation for Eliminating Clubfoot · Rise Against Hunger India	3

Beauty Skilling and Entrepreneurship: Skills that Spark Income. Confidence that Builds Futures.

Through industry-aligned beauty and wellness skilling initiatives, Nykaa empowers women from underserved communities with the skills, confidence, and opportunities needed to pursue sustainable livelihoods. By combining practical training with career pathways and entrepreneurship support, our initiatives support women to enhance their employability, build enterprises, and progress towards greater financial independence.

Impact:
2,800 girls and women equipped with industry-relevant, job-ready skills to enhance livelihood opportunities.



Supporting Women at Every Stage of their Journey

Nykaa's beauty skilling ecosystem is designed to support girls and women at every stage of their journey — from early exposure and foundational learning to advanced skill development, employment, and entrepreneurship. Through an integrated and inclusive approach, we create pathways that enable lifelong learning, strengthen confidence, and expand access to sustainable livelihood opportunities. By addressing diverse needs across different stages of growth, we seek to foster greater economic participation and long-term empowerment.

Expanding Access to Opportunity

We expanded our beauty skilling initiatives to seven new locations - Navsari, Shillong, Gangtok, Mumbai, Kolkata, Jaipur and Dimapur, broadening access to livelihood opportunities across urban, semi-urban, and underserved communities. This expansion reflects our commitment to making skill development and economic opportunities more accessible to women across diverse geographies.

From Training to Real-World Experience at Nykaaland

Experiential learning opportunities, including participation at Nykaaland, enabled trainees to apply their skills in real-world settings while engaging with diverse audiences. Such exposure helped strengthen professional confidence, enhance practical competencies, and improve industry readiness, supporting a smoother transition from training to employment or entrepreneurship.

Building Training Excellence

To strengthen programme quality and ensure consistency across our skilling ecosystem, we conducted our first Train the Trainers (ToT) workshop, led by Nykaa's in-house master trainers for trainers from our NGO partner organisations. The workshop was designed to enhance training delivery, reinforce industry best practices, and build the long-term capacity of our implementation partners.



Building a Community of Support

Graduation ceremonies provided an opportunity to celebrate the achievements of trainees alongside Nykaa employees, NGO partners, and their families. Employee participation helped foster encouragement, recognition, and a shared sense of purpose, reinforcing the importance of community support in each trainee's journey towards confidence, employment, and entrepreneurship.

Communities

Launching India's Women's Empowerment Index

In partnership with India's oldest and largest independent economic policy think tank, the National Council of Applied Economic Research (NCAER), Nykaa has initiated the development of the India Women's Empowerment Index—a first-of-its-kind initiative to assess women's social, economic, and financial empowerment across the country.



The first phase of the study comprised a large-scale primary survey covering 10,000 women across 11 states, capturing insights from diverse communities and demographic groups to establish a robust evidence base.

The Index is envisioned as a data-driven benchmark to measure progress, identify persistent gaps, and inform evidence-based interventions and policy dialogue. By generating actionable insights, the initiative aims to support governments, civil society, and other stakeholders in designing programmes that advance women's holistic empowerment and contribute to more inclusive and sustainable development.

Access to Quality Education: Learning Today. Leading Tomorrow.

Nykaa supports initiatives that expand access to quality education and create learning environments where children and young people can build knowledge, confidence, and aspirations for the future. Through partnerships with American India Foundation Trust and Akanksha Foundation, we are strengthening access to STEM education, holistic learning experiences, and quality schooling for underserved communities, helping young individuals develop the skills and opportunities needed to realise their potential.

Impact:

4,689 students across 30 rural schools and 108 teachers supported, strengthening access to STEM education and enhancing classroom learning.

925 students from underserved backgrounds provided with access to quality education and fostering long-term learning, aspiration, and opportunity.



Healthcare: Supporting Health, Care, and Well-Being

Nykaa supports healthcare initiatives that improve access to essential medical care and nutrition for underserved communities. Through partnerships with specialised implementation organisations, we seek to address critical healthcare needs, improve well-being, and enable healthier futures for vulnerable individuals and families.

In partnership with Anushkaa Foundation, we support access to free corrective treatment and rehabilitation for children born with Clubfoot from underserved backgrounds. Through our collaboration with Rise Against Hunger India, we contribute to addressing malnutrition and food insecurity by enabling access to safe and nutritious meals for vulnerable communities.



Impact:

54,000+ nutritious meals prepared by our employee volunteers, supporting the nutritional needs of underserved communities.

142 children born with clubfoot from low-income communities supported with free corrective treatment and rehabilitation, improving access to timely care and enhanced mobility.

Championing Inclusivity Through Sports: Breaking Barriers. Building Champions.

Nykaa supports sports-based initiatives that promote inclusion, confidence, and opportunity for individuals from underserved and marginalised communities. By partnering with organisations that use sport as a catalyst for social development, we seek to foster resilience, teamwork, leadership, and greater community participation.

For the past four years, Nykaa has partnered with the Indian Deaf Cricket Association (IDCA) and Slum Soccer to expand access to inclusive sporting opportunities for athletes from underserved backgrounds. These partnerships help create pathways for personal growth, skill development, and representation at national and international platforms.



Impact:

250 women cricketers with hearing disabilities supported through training and development programmes.

16 young athletes from underserved communities represented India at the Homeless World Cup in Norway, demonstrating the transformative potential of sport in expanding opportunity and aspiration.

Sustainability at Nykaa



CREATING A MORE BEAUTIFUL, SUSTAINABLE FUTURE

Sustainability at Nykaa is integrated into the way we create long-term value for customers, employees, investors, business partners and communities. As India's leading omnichannel beauty and lifestyle retailer, our business model spans digital commerce, physical retail, regional fulfilment centres, rapid delivery operations and an expanding portfolio of owned consumer brands.

We recognise that our most significant environmental and social impacts arise from the scale and nature of our operations rather than manufacturing activities. Accordingly, we focus our sustainability efforts on areas that are most material to our business, stakeholders and long-term strategy. These include climate and energy management, responsible packaging, waste and circularity, water stewardship, employee well-being, customer trust, responsible products, data privacy and ethical business conduct.

Our sustainability framework is guided by a governance-led approach that integrates environmental, social and governance (ESG) considerations into business decision-making. Our Board, through the CSR & ESG Committee, oversees the sustainability agenda, while cross-functional teams across operations, supply chain, human resources, information security, legal, finance and other business functions drive implementation.

We monitor progress through internal management information systems, periodic reviews and statutory reporting processes, enabling us to identify risks, assess performance and strengthen accountability across our operations.

We continue to enhance our sustainability practices by improving operational efficiency, strengthening stakeholder engagement and embedding responsible business practices throughout our value chain.

As we expand our omnichannel footprint, we remain committed to improving transparency, managing environmental and social impacts responsibly and creating sustainable long-term value for all our stakeholders.

Reporting Scope and Boundary

We have prepared this Sustainability section (Pg 116 to Pg 133) with reference to the Global Reporting Initiative (GRI) Standards 2021 and aligned it with the applicable requirements of the Securities and Exchange Board of India's Business Responsibility and Sustainability Reporting (BRSR) framework.

Unless otherwise specified, the information presented covers our operations at FSN E-Commerce Ventures Limited and our wholly owned subsidiary, Nykaa E-Retail Limited. From FY2026, our reporting boundary also includes Rapid Stores operations. Consequently, certain environmental performance indicators for FY2026 may not be directly comparable with previous reporting periods due to the expanded operational boundary.

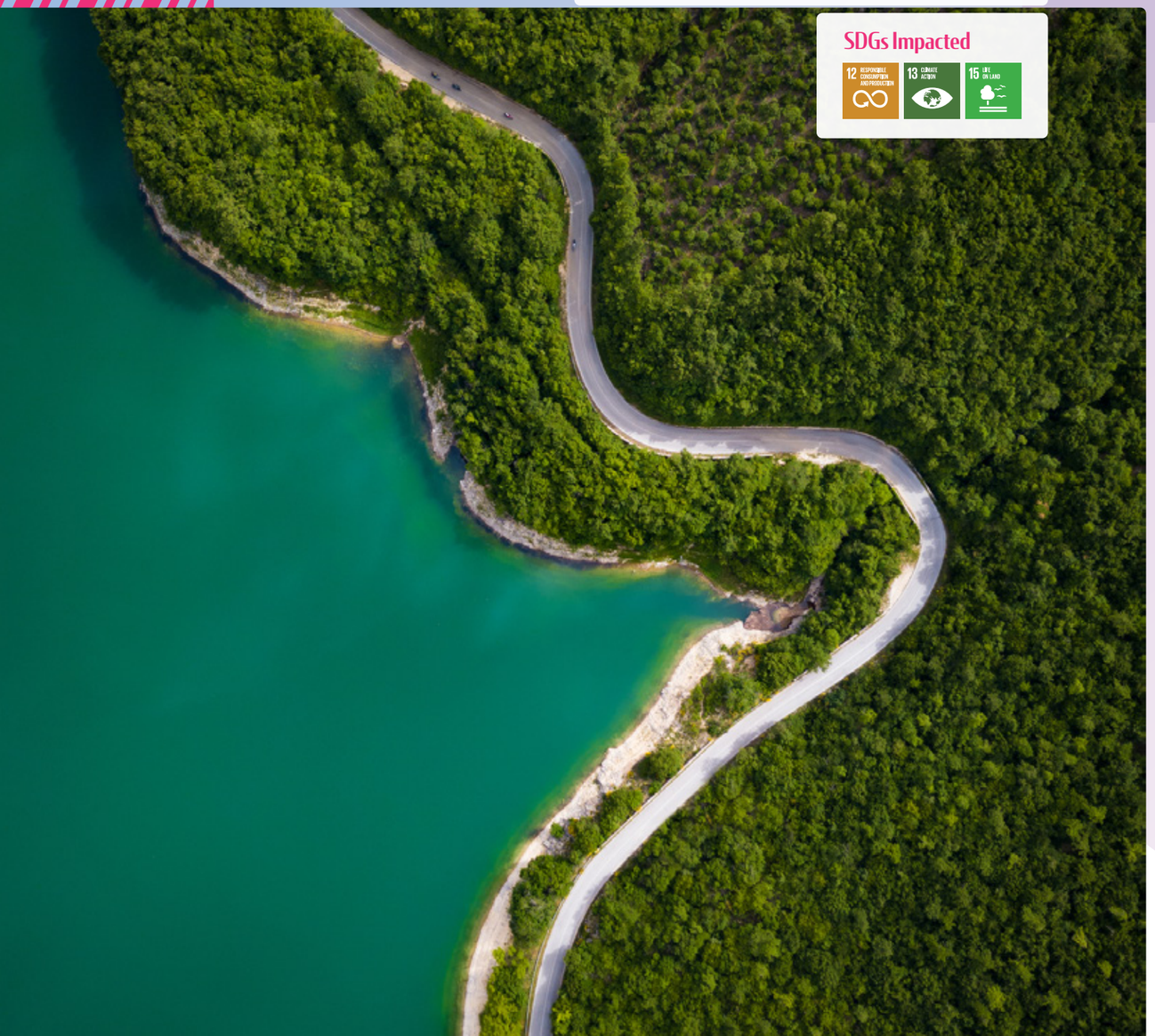
ENVIRONMENT

Our environmental approach is built around strengthening operational efficiency while lowering the environmental impact of our expanding omnichannel business. As a digital-first beauty and lifestyle retailer, our main environmental footprint comes from our offices, fulfilment centres, warehouses, quick-commerce stores, packaging, and logistics, rather than from manufacturing operations. We therefore concentrate on the areas most relevant to our business, including energy use and emissions, climate resilience, responsible water management, sustainable packaging, waste reduction, and circularity.

Material Topics

- Climate change, GHG emissions and energy efficiency
- Packaging and waste management
- Sustainable materials
- Water efficiency
- Product safety and quality

SDGs Impacted



Energy Efficiency and Emissions Management

Our energy consumption is primarily associated with our offices, warehouses and rapid store operations, which collectively support our omnichannel retail network. Electricity purchased from the grid remains our primary source of energy and the largest contributor to our Scope 2 greenhouse gas emissions. Our Scope 1 emissions primarily arise from diesel-powered backup generators, refrigerants and fire suppression systems across our operational facilities. We continuously monitor energy consumption and emission sources through our internal reporting systems to enhance operational visibility, identify efficiency opportunities and strengthen resource management across our facilities.

Highlights

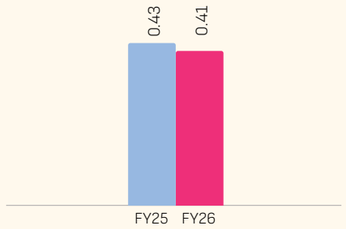
31,928 GJ
Energy consumed

5182 $MTCO_2e$
Scope 2 emissions

388 $MTCO_2e$
Scope 1 emissions

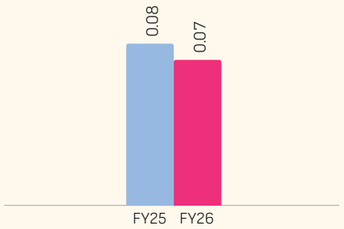
Energy Intensity

(GJ/INR million)

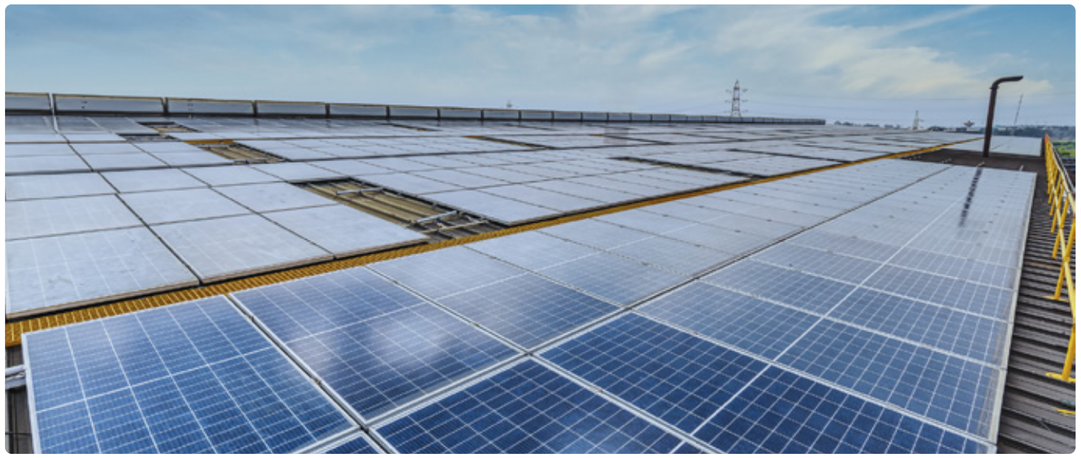


Scope 1+2 Emissions Intensity

($MTCO_2e$ / INR million)



Environment



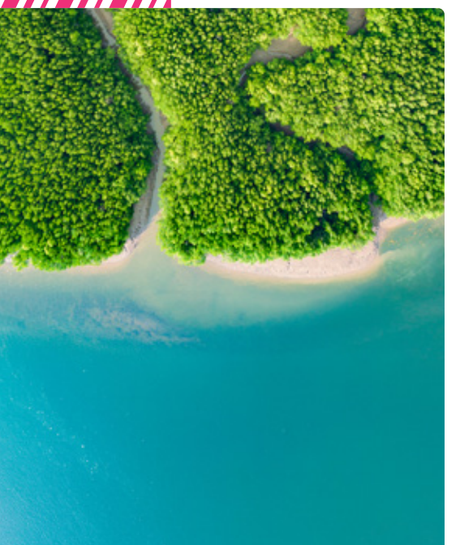
We continue to implement operational measures that enhance energy efficiency, including adopting energy-efficient infrastructure and optimising warehouse operations. During FY2026, we allocated 0.29% of our capital expenditure towards upgrading offices and warehouses with energy-efficient technologies designed to reduce electricity consumption and carbon emissions. In addition, our regional fulfilment network helps lower transportation-related emissions by positioning warehouses closer to key demand centres, reducing delivery distances while improving logistics efficiency and customer service.

As part of our ongoing climate strategy, we continue to increase the use of renewable energy across our operational footprint and explore opportunities to further improve energy efficiency and strengthen emissions management. We remain focused on enhancing data quality, monitoring environmental performance and integrating low-carbon practices into our operations to support long-term business resilience.

During FY2026, we expanded renewable energy adoption across select warehouses and office locations as part of our phased implementation plan. Building on this progress, we will continue to evaluate and implement renewable energy opportunities across additional operational sites in a structured and phased manner, wherever technically feasible.

Highlights

941 GJ
Renewable energy consumed



Climate and Biodiversity

Climate change presents both physical and transition risks that may influence our business continuity, supply chains and operational resilience. Recognising the importance of climate-informed decision-making, we initiated an IFRS S2-aligned Climate Risk Assessment (CRA) during FY2026. Through this assessment, we seek to identify climate-related risks and opportunities across our operations and value chain, supporting stronger risk management, strategic planning and future climate-related disclosures.

Alongside our climate priorities, we seek to maintain a responsible operational footprint by integrating environmental considerations into site selection and expansion planning. Our offices, warehouses and operational facilities are located in developed urban and industrial areas and are not situated within or adjacent to environmentally protected or ecologically sensitive regions. Before establishing new operational locations, we ensure compliance with all applicable statutory environmental approvals and regulatory requirements.

Project Aranyam

We participate in Project Aranyam, an initiative led by our packaging partner, Pack8, in collaboration with Grow-Trees.com and Grow Billion Trees. Through this initiative, selected packaging procurement supports afforestation activities that contribute to biodiversity conservation and carbon sequestration.

4,911
Trees planted

98,220 Kg
Carbon sequestered at maturity

Beyond environmental benefits, the initiative also supports local livelihoods through nursery development, plantation activities and long-term maintenance of planted saplings.



Responsible Water Management

Water consumption across our operations is primarily associated with domestic use at our offices, warehouses and rapid stores. Given the nature of our business, we focus our water management efforts on efficient utilisation, regular monitoring and responsible consumption.

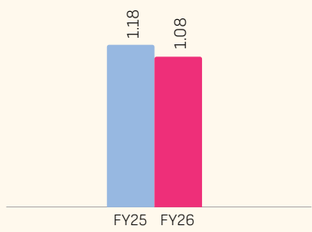
To improve measurement accuracy, we have installed water meters across our operational locations and periodically calibrate them to ensure reliable monitoring. Continuous monitoring enables us to analyse consumption trends and identify opportunities to further improve water efficiency.

Highlights

85,062 KL
Water consumed

Water intensity

(KL/INR million)



We have implemented water-saving measures across our office facilities, including sensor-based fixtures that help optimise water use. We also promote water reuse wherever feasible, including the use of reverse osmosis reject water for secondary applications such as washroom flushing, thereby supporting efficient resource utilisation.

Alongside these infrastructure measures, employee awareness remains integral to our water stewardship efforts. We conduct regular health, safety and environment awareness programmes across our warehouses to encourage responsible water-use practices and reinforce conservation measures in day-to-day operations. Together, these efforts support our disciplined and practical approach to water management.

Environment

Packaging, Waste Management and Circularity

Packaging plays an important role in protecting product quality while shaping our customers' experience. Our packaging strategy seeks to balance functionality, customer expectations and environmental responsibility through continuous improvements in material selection, packaging design, reuse and responsible end-of-life management.

We continuously review our packaging designs and operational processes to optimise material consumption, increase the use of recyclable materials and reduce waste across our fulfilment network, while maintaining product protection and operational efficiency.



Highlights

100%
Carton waste re-used in House of Nykaa warehouses

2,326 MT
Carton waste disposed via authorised vendors for recycling

151 MT
Plastic waste recycled via authorised vendors

During the year, we continued to strengthen our packaging practices by increasing the use of paper-based fillers and protective packaging alternatives, while using corrugated shipping boxes manufactured with recycled content. Across our Own Brand warehouses, we extensively reuse cardboard cartons, enabling their complete internal reuse before recycling.

We also continue to optimise packaging design by eliminating avoidable components. This includes replacing separate paper inserts with messages printed directly on packaging, thereby reducing paper consumption without compromising product communication. In addition, we deploy return-to-origin (RTO) packaging wherever operationally feasible to maximise material utilisation across our reverse logistics network.

Highlights

Zero
Paper utilised for order processing

We further support waste minimisation through operational efficiencies across our warehouses. Device-based order picking enables paperless processing, eliminating paper consumption during fulfilment operations. We manage expired products and other operational waste streams through authorised waste management and recovery partners in accordance with applicable regulatory requirements. We also implement inventory management measures, including return-to-vendor arrangements where applicable, to minimise avoidable product disposal and reduce waste at source.

Our waste management framework is supported by compliance with India's Extended Producer Responsibility (EPR) regulations for plastic packaging. We have remained EPR compliant since 2021 and partner with Central Pollution Control Board (CPCB)-authorised recyclers for the collection, recycling and environmentally sound management of plastic packaging waste. Supported by appropriate documentation and certifications, these partnerships strengthen traceability and responsible waste recovery across our value chain.

Recognising that effective waste management requires employee participation, we conduct regular awareness programmes and operational training across our warehouses to promote waste segregation, responsible material handling and recycling practices. Through continuous improvements in packaging design, operational processes and stakeholder engagement, we remain committed to advancing circular economy principles and reducing the environmental impact of our operations.

Sustainable Products

We recognise that product sustainability extends beyond formulation to encompass responsible sourcing, transparency, safety and informed consumer choice. Through our Conscious at Nykaa platform, we enable customers to identify products that meet defined environmental and ethical preferences, supporting more informed purchasing decisions.

The platform features products with attributes such as cruelty-free, vegan and clean formulations, while several of our own-brand products carry recognised third-party certifications, including those from Bureau Veritas and PETA. Brands such as Nyveda and Nykaa Naturals further reflect our commitment to offering products developed with plant-based and Ayurvedic ingredients that align with evolving consumer preferences.

Our product development is supported by Good Manufacturing Practices (GMP), robust quality assurance processes and consumer safety assessments. We also continue to promote formulations that exclude ingredients such as parabens and mineral oils in selected product categories, while maintaining compliance with applicable quality and regulatory requirements.

Highlights*

67 MT
100% recyclable metal

150 MT
100% recyclable glass

227 MT
Corrugated boxes with 50% recycled paper

*Data covering 100% of Own Brand products



SOCIAL

As Nykaa grows, we continue to build a future-ready workplace where people feel valued, empowered and inspired to perform at their best. Through inclusive hiring, continuous learning, meaningful career opportunities, holistic well-being and a culture of recognition, we enable our people to grow with us and shape our shared future.



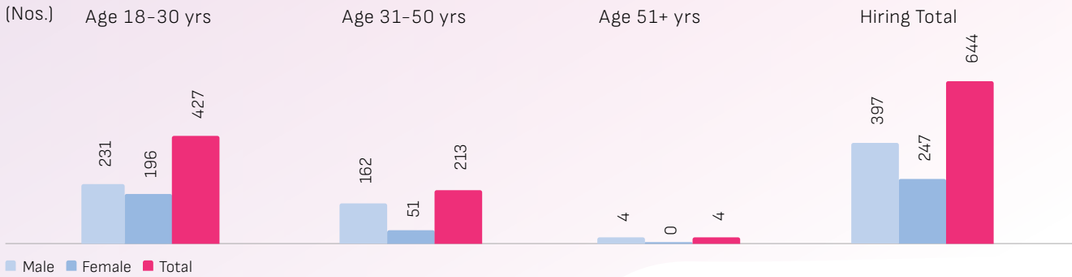
Talent Acquisition and Workforce Planning

Our talent acquisition approach is designed to build a future-ready, high-performing workforce aligned with our business priorities and growth plans. Guided by a data-informed framework, we align hiring requirements with our Annual Operating Plan and track outcomes through defined performance metrics.

We continue to attract talent from leading academic institutions and organisations while maintaining an inclusive hiring philosophy that values diverse perspectives and fresh ideas. Our compensation decisions are based on role, experience and merit, supporting a fair and performance-oriented approach to talent acquisition.



Demographics of New Hires



Social



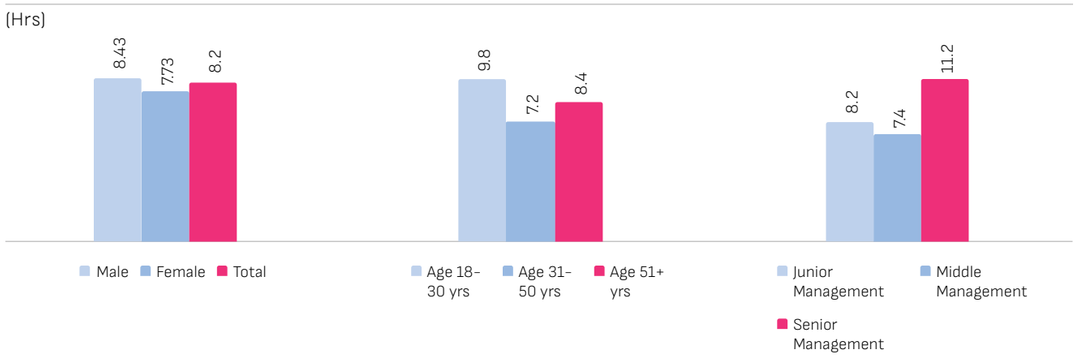
Learning, Development and Capability Building

We continue to strengthen employee capabilities through a structured learning and development framework that supports both our business needs and individual career aspirations. Our programmes span behavioural, cultural, technical, functional and developmental areas and are delivered through a combination of digital and classroom-based formats.

Our employees have access to on-the-job learning, technical and functional skill-building programmes, digital learning platforms and partnerships with recognised leadership development institutions. We further support capability building through coaching, mentoring, peer learning networks and cross-functional knowledge-sharing forums.

Platforms such as Coursera and Nykaa Academy enable continuous learning in areas including data literacy, digital marketing and relevant business tools, while onboarding, town halls and leadership engagement reinforce cultural orientation.

Average Hours per Full Time Employee (FTE) of Training and Development



Leadership Development and Internal Mobility

Leadership development remains an important focus area as we strengthen organisational depth and prepare talent for expanded responsibilities. The Nykaa Manager Programme supports employees from Assistant Manager to Senior Manager levels in building capabilities relevant to a digital-first organisation, while dedicated induction programmes for management graduates help accelerate early leadership readiness. We also encourage career mobility through ICON, our internal mobility platform, which enables employees to explore opportunities across functions. Together, these interventions support career progression, organisational agility and a broader culture of internal growth.

Performance Management and Recognition

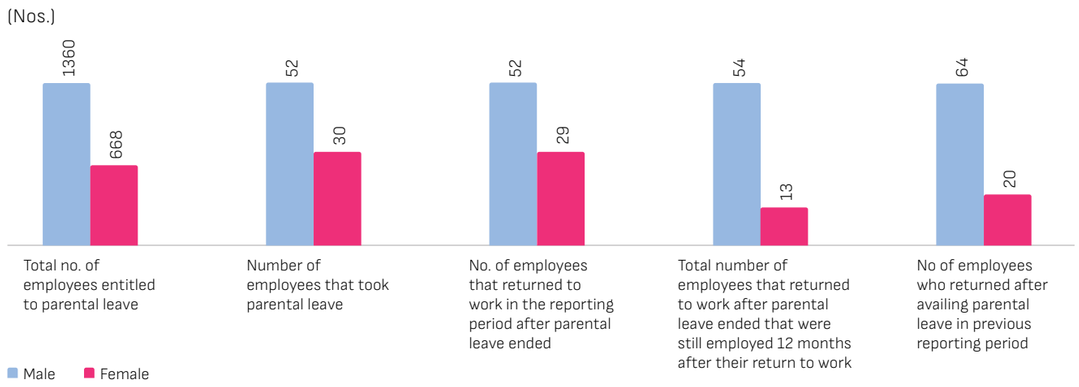
Our performance management framework is designed to align individual contributions, team outcomes and broader business priorities. We conduct annual performance evaluations, complemented by mid-year reviews, calibration discussions and manager-initiated reviews, to enable timely feedback and course correction. Employees are assessed against defined goals, key responsibilities, behaviours and business outcomes, with the framework covering both individual performance, including Management by Objectives, and team-based performance. For our leadership team, a 360-degree feedback process provides broader developmental insights that support leadership effectiveness and continued professional growth.

Compensation, Benefits and Employee Value Proposition

Our rewards philosophy is centred on fairness, transparency and recognition of contribution. We align our compensation practices with industry benchmarks and applicable wage requirements and conduct regular reviews to support parity across roles and genders. We also extend long-term incentive opportunities through our Employee Stock Option Plan to eligible employees below senior management level, particularly those in mid-level leadership and critical or niche roles. This strengthens retention, motivation and recognition while reinforcing our employee value proposition.

Our permanent employees are covered under Provident Fund, Employees' State Insurance and Gratuity and are also eligible for health and accident insurance benefits. We provide eligible employees with 26 weeks of maternity leave and two weeks of paternity leave, reflecting our commitment to employee well-being and an inclusive workplace.

Employees Availing Parental Leave



99%
Return to work rate

80%
Retention rate

Social

Health, Safety and Well-being

Our approach to health, safety and well-being brings together workplace safety, preventive care and employee wellness to support a healthy and resilient workforce. Our Health, Safety and Environment Policy guides safety practices across our offices, warehouses and related operations. All our workplaces are equipped with fire safety infrastructure, including smoke detectors, sprinklers and fire hydrants, and we obtain the required fire safety clearances before sites become operational.

Our Emergency Response Teams conduct bi-monthly inspections and lead evacuation drills, while each location has a dedicated HSE Single Point of Contact. Employees can report unsafe conditions through on-site QR codes, and we regularly review reported concerns to implement corrective actions. We reinforce safety capabilities through induction programmes for contract workers and weekly sessions covering key HSE topics through posters, videos and case-based learning. First-aid facilities are available across our locations, and employees can access medical professionals whenever required, supporting a proactive safety culture and our zero-fatality record.

Highlights

Zero
Major safety incidents

We support employee well-being through a broad and structured set of interventions focused on physical, mental and emotional health. Through Wellspring, our wellness programme developed in partnership with The Wellness Corner, employees and their



immediate family members have access to preventive healthcare services, teleconsultations with medical practitioners, mental health counselling, nutritional guidance, health assessments and wellness programmes through an integrated digital platform.

This is complemented by discounted gym memberships, on-site wellness sessions, one-on-one counselling, wellness workshops, health awareness programmes, yoga sessions, access to dietitians and therapists, and a 24/7 helpline. We have also partnered with a qualified medical practitioner to provide employees with timely medical consultation and guidance whenever required. Targeted interventions for specific employee groups, including financial planning and emotional well-being support for Gen Z employees, further strengthen our approach.

Highlights

₹18.41 mn
Spent on employee benefits and well-being

Contractual, Part-Time and Frontline Workforce Support

We extend structured capability-building and compliance support to contractual, part-time and frontline employees across our retail and warehouse operations. Contractual staff receive role- and deployment-specific on-the-job training when they join, helping ensure operational readiness from the outset. We also provide compliance and functional training to contractual and part-time employees across our retail and warehouse operations to maintain alignment with safety expectations, operational standards and day-to-day role requirements.

Employee Engagement, Grievance Redressal and Change Management

We maintain formal channels through which employees and workers can raise concerns using fair, confidential and transparent mechanisms. Grievances may be reported through a dedicated email channel and whistleblower helpline, both designed to safeguard confidentiality and protect against retaliation. We communicate these channels during onboarding and reinforce awareness through internal communication.

During periods of significant operational change, our HR and business teams collaborate through structured change-management processes to build employee awareness, address concerns and facilitate smooth transitions. We use town halls, webinars and internal communication platforms to communicate changes clearly and support workforce readiness.

Human Rights, Inclusion and Workplace Dignity

Our Human Rights Policy applies across our operations and reflects our commitment to fairness, dignity, inclusion and compliance with applicable laws. We uphold equal opportunity principles throughout the employee lifecycle and do not permit discrimination based on gender, age, ethnicity, caste, religion, sexual orientation, disability or any other characteristic.

We support employees with disabilities through reasonable accommodation measures and workplace accessibility initiatives in line with the Rights of Persons with Disabilities Act. We periodically conduct human rights risk assessments across our locations and maintain zero tolerance for child labour, forced labour and workplace harassment.

Our Prevention of Sexual Harassment framework is supported by a legally compliant Internal Complaints Committee and reinforced through induction and ongoing awareness programmes. We also train third-party security personnel on our Human Rights Policy and related procedures.

Highlights

100%
Security personnel have received formal training in the organisation's human rights policies or specific procedures and their application to security

Customer Empowerment and Product Responsibility

We seek to build strong customer relationships through transparency, informed choice and responsible platform practices. Our products are supported by clear and accurate labelling in line with regulatory requirements, including the disclosure of attributes such as cruelty-free and vegan formulations, where applicable. We complement curated product descriptions with educational content from beauty experts and influencers, helping customers make more informed decisions.

Our interactive feedback system supports continuous improvement in products and service experiences. We track customer satisfaction through customer feedback surveys, measuring it as the percentage of satisfied customers. In FY2026, we recorded a customer satisfaction score of 84.3% against our target of 85%, providing a direct measure of customer experience during the reporting period.

Highlights

100%
Consumer complaints resolved

16%
Y-on-Y reduction in consumer complaints

Data Privacy and Cybersecurity for Customers

Data privacy and cybersecurity remain essential to sustaining customer trust in our platform. We maintain robust security measures and conduct periodic assessments, including third-party evaluations, to safeguard customer information and strengthen cyber resilience.

We also provide customers with mechanisms to exercise their data rights in accordance with applicable laws, including the ability to opt out, withdraw consent, request the deletion of their data or seek data transfer, where relevant. Through these measures, we seek to uphold transparency, accountability and responsible stewardship of customer information.

Highlights

Zero
Incidents of data breaches

GOVERNANCE

Governance underpins responsible decision-making and accountable growth, aligned with our identity as a purpose-driven retailer. Anchored in transparency, ethical conduct and effective oversight, our governance framework helps ensure that business decisions are guided by robust policies, compliance systems and clear accountability.



Oversight by our Board and CSR & ESG Committee integrates ESG considerations into key areas such as data privacy, human rights, business ethics and stakeholder engagement. This approach enables us to respond to evolving expectations from customers, regulators, investors, employees and communities while strengthening trust and organisational resilience. As we grow, governance remains central to embedding integrity and responsibility in our everyday operations.

Governance Architecture and Board Oversight

At the Board level, our CSR & ESG Committee reviews and provides guidance on material ESG matters, including climate change, greenhouse gas emissions and energy efficiency. This oversight is supported by our ESG Core Committee, comprising the Chief Financial Officer, Chief Human Resources Officer and Chief Information Officer, which enables cross-functional alignment on strategic priorities. Day-to-day execution is led by our dedicated ESG & HSE Lead, ensuring disciplined implementation across relevant functions.

ESG Governance

ESG & CSR Committee	ESG Core Committee (CFO + CHRO + CIO)	Dedicated ESG & HSE Execution Lead

Our broader governance structure is reinforced by a Board composition that reflects a strong level of independence, with a target of maintaining at least 50% Independent Directors in line with the requirements applicable to Indian listed companies. This governance approach is also reflected in the safeguards surrounding our foundational documents. Any amendment to our constitutional documents, including the Memorandum and Articles of Association, requires shareholder approval.

Highlights

54.55%
Independent Directors
Target share: 50%

5.93 Years
Average tenure of Directors

58.18 Years
Average age of Directors

27.27%
Women Directors

80.30%
Average attendance at Board meetings

6
Non-Executive Directors
(including Independent Directors) holding 4 or less other mandates

Governance

Governance safeguards are further supported through Directors' and Officers' Liability Insurance for Board members and key personnel across our Company and subsidiaries. For senior management, including members of our Executive Committee (CXOs), long-term incentives form part of the compensation framework through stock options granted under a formally disclosed Employee Stock Option Plan. We make annual disclosures in accordance with applicable SEBI regulations.

Risk Management and Business Resilience

We embed risk management into business planning and operational decision-making to support resilience, accountability and disciplined growth. Risk appetite considerations form part of our risk assessment process, with identified risks evaluated based on their likelihood and impact. The resulting risk scores guide prioritisation, escalation requirements, mitigation actions and acceptable exposure levels. High and critical risks receive enhanced management attention and monitoring, helping ensure that risk-taking remains aligned with our strategic objectives and overall risk tolerance.

Risk monitoring is a continuous process. We regularly review our risk register to reassess existing risks, revise risk ratings, incorporate newly identified risks and update mitigation plans in response to changing business and external conditions. Our Enterprise Risk Management team engages with business functions to understand process-specific risks and their enterprise-level implications. It also monitors market trends, industry developments and external risk events to derive relevant learnings. We escalate significant developments, changes in risk exposure and mitigation actions to relevant stakeholders in a timely manner. Key risk insights, emerging risk assessments and risk register updates are periodically presented to our Internal Risk Steering Committee and Risk Management Committee for oversight.

Risk capability building also forms an important part of our approach to resilience. We conduct regular enterprise-level disaster recovery drills and tabletop simulation exercises based on relevant scenarios. These exercises help our teams test response readiness, strengthen coordination across functions and improve preparedness for potential business disruptions. Together, these initiatives support a more risk-aware organisation and reinforce the practical application of resilience measures across our business.

The following risks reflect the most significant near- to medium-term factors that could influence our operating performance, market position and strategic execution.

Current Risk 1: Customer Behaviour, Market Relevance and Customer Economics

Our revenue, profitability and long-term brand equity may be affected by the highly dynamic and competitive digital retail landscape. Rapidly evolving customer expectations, including convenience, personalised discovery, sustainability and seamless omnichannel experiences, together with increasing fragmentation across marketing channels and reliance on third-party platforms, heighten this risk.

As we expand across beauty and fashion, any inability to effectively understand changing consumer behaviour or acquire and retain customers cost-effectively could reduce platform engagement, weaken brand loyalty and result in a loss of market share to competitors offering faster, more curated or localised experiences. This could ultimately erode our market relevance and brand equity.

Mitigation

We mitigate this risk through continuous market research, advanced data analytics and customer segmentation to better understand evolving preferences and personalise engagement. Loyalty initiatives such as our Prive Programme, targeted retention campaigns, personalised offers and membership-based models help strengthen customer relationships, improve retention, encourage repeat purchases and enhance long-term customer lifetime value.

Current Risk 2: Competitive Intensity across E-commerce and Retail

Increasing competition across the e-commerce and retail beauty and personal care sectors may impact Nykaa's market share, revenue growth, customer acquisition and retention, and overall profitability. The entry of new market participants, expansion of existing competitors, and aggressive pricing, promotional, and customer engagement strategies could necessitate higher marketing and customer acquisition investments, exert pressure on margins, and intensify customer churn. Failure to effectively respond to evolving market dynamics and consumer preferences may adversely affect the Company's growth trajectory and overall business performance.

Mitigation

Nykaa continuously monitors the competitive landscape across its e-commerce and retail businesses and implements data-driven strategies to strengthen market position, customer engagement, and business growth. The Company enhances its value proposition through portfolio expansion, exclusive partnerships, improved customer experiences, targeted marketing, and strategic store expansion. Regular competitive intelligence, customer feedback, and brand-building initiatives help strengthen market differentiation, customer loyalty, and brand leadership.

Alongside current priorities, we continue to monitor emerging risks that could reshape the business environment and influence resilience, competitiveness and growth over the longer term.

Emerging Risk 1: AI-led Discovery and AI-native Business Transformation

As product discovery increasingly shifts from traditional search to AI-driven answer engines such as Gemini and ChatGPT, changes in algorithms, ranking logic, monetisation models or partnership terms could affect our organic discoverability, customer acquisition costs and traffic conversion economics.

At the same time, our transition towards an AI-native operating model, anchored in the One Nykaa AI Platform and Customer Cube data foundation, introduces considerations relating to model accuracy, data privacy and dependence on third-party foundation models. We manage these risks through responsible AI principles, structured model governance and human oversight across the AI lifecycle.

Our AI-enabled solutions are subject to governance, testing, validation and periodic performance monitoring. Diversified technology partnerships and continuous monitoring of developments across the AI ecosystem further support our adaptability and resilience.

Emerging Risk 2: Cybersecurity, Application Security and Service Continuity

Cybersecurity threats such as distributed denial-of-service attacks, exploitation of vulnerabilities, API misuse, inadequate runtime monitoring, AI-powered attack methods and weak access controls may disrupt our e-commerce operations, affect sales and expose confidential data.

To address these risks, we maintain firewall protections, conduct regular application and infrastructure security testing, and undertake periodic red-team assessments. Endpoint Detection and Response and Data Loss Prevention solutions support threat detection and help prevent malware-related incidents and data exfiltration.

We also provide secure coding training to developers and have adopted a centralised secrets management solution. In addition, we are implementing authentication controls for internal APIs and strengthening runtime API protection and generative AI-based threat detection capabilities.

Governance

Data Privacy and Information Security

We govern data privacy and information security through a structured oversight framework that ensures clear accountability from operational execution through to the Board. Our Chief Information Security Officer leads enterprise security and presents information security matters, cyber threats and strategic security initiatives to the corporate Steering Committee.

Critical information security issues, strategic risks and mitigation roadmaps are subsequently escalated to our Risk Management Committee, which holds explicit responsibility for overseeing technology, cyber resilience and information security risks. The Committee, in turn, provides regular updates to our Board of Directors.

Information Security Governance

CISO / Steering Committee	→	Risk Management Committee (RMC)	→	Board of Directors
Enterprise security leadership, threat visibility and cross-functional alignment		Review of critical information security issues, cyber risks and mitigation roadmaps		Regular reporting and strategic oversight

Externally validated certifications strengthen our information security framework by aligning our controls with recognised global standards. We reinforce these certifications through internal mechanisms such as compliance audits and structured breach-response protocols, including evidence collection and escalation to our legal teams, to support continuous oversight and timely remediation.

Highlights

ISO 27001 Certified

PCI DSS Certified

We have deployed a comprehensive internal privacy and information security training programme to build awareness and reinforce responsible data practices across our permanent workforce. Our training framework extends to contractual, outsourced and third-party personnel through role-appropriate learning streams.

For personnel deployed through external service providers, including customer service agents, we embed data privacy and security training into the induction process, ensuring that compliance expectations are established from the outset. These requirements are contractually governed through service-level agreements, which also mandate periodic refresher training throughout the engagement.

Consultants, outsourced specialists and contractual personnel who receive Nykaa corporate credentials or access to our internal infrastructure undergo training aligned with our broader internal awareness programme. They receive periodic security compliance updates, threat alerts and data privacy awareness communications, helping us maintain a consistent security posture across our extended enterprise.

Responsible Sourcing

Our approach to supply chain governance reflects the needs of an omnichannel beauty and lifestyle business, where supplier practices directly influence product quality, packaging integrity, customer trust and operational resilience. We communicate our expectations to suppliers through our Sustainable Sourcing Policy and Supplier Code of Conduct.

We obtain commitments to comply with the Supplier Code of Conduct from non-trade vendors during onboarding and have initiated the same process for trade vendors. For packaging material suppliers, we undertake commodity- and sector-specific screening during onboarding to assess technical capabilities, statutory compliance, quality systems and operational capacity against our business requirements. This is supported by a structured assessment process for packaging material manufacturers, including on-site factory visits during onboarding and periodic evaluations of strategic suppliers. We have also initiated supplier data collection in line with the BRSR Core requirements for the value chain, strengthening our ability to evaluate ESG performance in a more structured and disclosure-ready manner.

Within this governance framework, we seek to uphold human rights, fair labour standards and workplace safety across our partners' operations. We expect suppliers to prohibit child labour, forced labour and discrimination and maintain safe and healthy working conditions in accordance with applicable requirements. We also undertake Know Your Customer verification of suppliers as part of our efforts to identify and mitigate child labour risks across the supply chain. This is complemented by our operational focus on worker awareness and safety, including training for warehouse workers and third-party personnel on fire safety, emergency preparedness, Prevention of Sexual Harassment guidelines and labour law obligations.

To advance the implementation of our Supplier Code of Conduct, we intend to integrate relevant environmental parameters into supplier screening, engagement and assessment. These parameters will cover responsible sourcing, material choices, packaging practices and performance across emissions, energy, water and waste. This approach is intended to strengthen alignment between supplier expectations and operational practices while improving visibility into value-chain ESG performance. Existing initiatives, including the use of recycled-content packaging materials, reduction of packaging waste, engagement with authorised recyclers and alignment with Extended Producer Responsibility requirements, provide the foundation for this approach.

Quality Management and Product Assurance

Our quality management system is designed to maintain product quality across development, manufacturing, warehousing and customer fulfilment. For Nykaa Brands across beauty and fashion, quality checks begin at the source through our contract manufacturers and are reinforced through secondary checks at our Own Brands warehouses when goods are accepted.

At the warehouse level, inward controls include physical and quality checks during the Goods Receipt Note process. We accept inventory only after sample-based verification against purchase orders and defined quality and labelling requirements.

Highlights

Zero Product Recalls

Our quality management system is further supported by defined operational controls, including a New Product Development Checklist and Acceptable Quality Limit-based checks for finished goods. Our Operations team also conducts outward quality control checks to verify products before dispatch. In addition, ongoing inward checks and cycle-count audits help assess the physical condition of products, with damaged or expired items moved to non-saleable inventory categories, where required.

For our Own Brand beauty products, quality assurance is supported by standards-based manufacturing and testing. Products are manufactured at approved and qualified facilities operating in compliance with the Drugs and Cosmetics Act, 1940, and applicable Good Manufacturing Practices certification requirements. We assess products against relevant Bureau of Indian Standards requirements across categories, including horizontal quality parameters such as microbiological limits. Product releases from manufacturing facilities are supported by test reports issued by approved laboratories and qualified professionals, with additional checks conducted by us at defined intervals.

Training helps translate these controls into day-to-day practices across our operations. We conduct regular training on the New Product Development Checklist, finished-goods Acceptable Quality Limits, process quality control, reference sample management, and stability and compatibility studies. This is complemented by role-based training for outward quality control personnel and audit assistants involved in cycle-count reviews. Food safety compliance audits and regular quality manual processes within our operations also strengthen awareness of product handling, storage, labelling and documentation requirements.

Our customer-facing mechanisms provide an additional layer of post-sale quality assurance. We publish the details of our grievance officers on our website and e-commerce channels, while product labels carry customer support contact details. We route complaints, feedback and enquiries through our in-house ticketing system. Customers can also access information on returns through our website, app and product packaging.

Corporate Governance

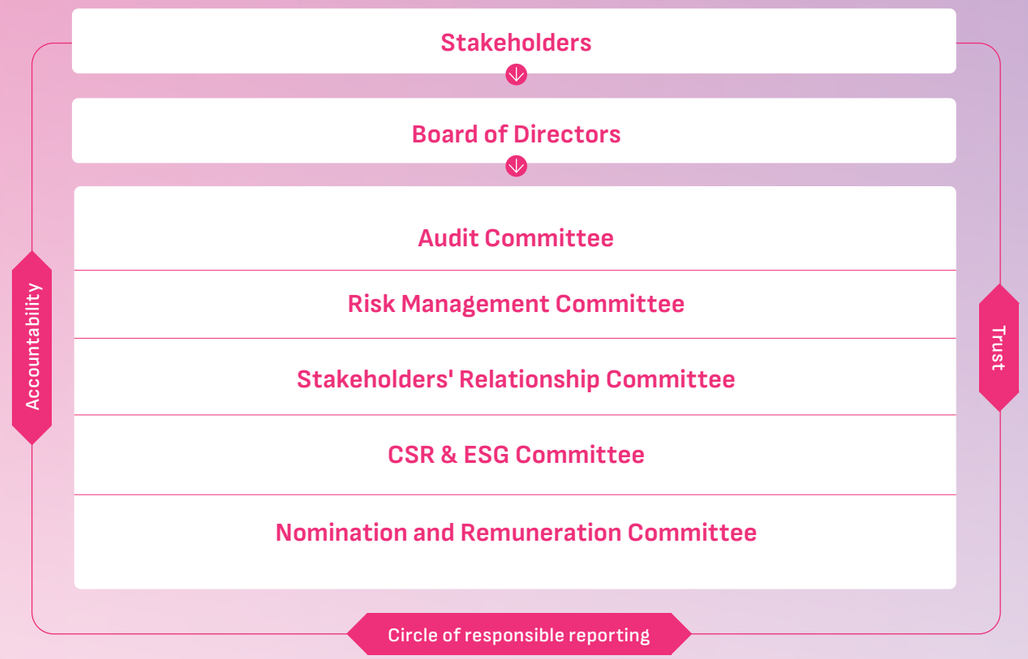
YOUR TRUST, OUR RESPONSIBILITY

For Nykaa, Corporate Governance is not just a compliance requirement which we adhere to rather it's a reflection of our commitment towards our stakeholders, instrumental in building trust.

Our corporate governance philosophy is based on the principles of integrity, accountability, transparency and ethics, guiding the way we lead, make decisions and create long-term value.

Our robust corporate governance framework transcends statutory compliance, actively aligning our operational ethos with our core values. This framework encompasses structured reporting mechanisms, comprehensive disclosures, and well-defined policies, including our robust Code of Conduct and Committee Charters. Together, these pillars enforce rigorous institutional oversight, absolute accountability and systemic transparency across all stakeholders.

Corporate Governance Structure



Board of Directors

The composition of the Board is governed by relevant provisions of the Companies Act 2013 (the 'Act') and the relevant Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and the Articles of Association of the Company.

Our Board includes Executive (3), Non-Executive (2), and Independent Directors (6), reflecting independence and diversity.

Rooted in deep industry expertise and a steadfast commitment to governance excellence, our Board of Directors drive strategic stewardship to foster sustainable growth, innovation, and long-term value creation. The Board comprises distinguished leaders with multifaceted expertise across business, finance and operations. This diverse intellectual capital equips us with the institutional agility and resilience required to effectively navigate a dynamic and evolving macroeconomic landscape.

The Board of Directors is entrusted with strategic stewardship, management performance evaluation, and governance oversight on behalf of our shareholders and broader stakeholder ecosystem. Exercising independent judgment, the Board remains vital to preserving the operational integrity and strategic trajectory of the Company. This commitment is institutionalised through a multi-tiered governance architecture that explicitly delineates the roles, mandates, and responsibilities of each constituent body.

Board Engagement

The Board met regularly this year, maintaining high attendance and active Director engagement. Discussions centered on strategic planning, risk mitigation, geo-politics impact, global trends and sustainability frameworks. Supported by strong governance, the Board's strategic oversight fosters resilience, ensuring responsible long-term value creation.

6
Meetings of Board of Directors conducted

80%
Average attendance during Board meetings

5 out of 5
Committees are chaired by Independent Directors

Board Skill Matrix



Entrepreneurship	90%
Leadership/ Operational Experience	100%
Business Strategy	100%
Marketing – Digital, Consumer & E-commerce	82%
Industry knowledge	100%
Brand Building	82%
Governance and Regulatory oversight	100%
Financial literacy	100%
Human Capital Management	73%
M&A, Investment Management, Risk Management	90%

Corporate Governance

Our Statutory Committees

Audit Committee

Capitals Impacted:
Financial Capital and Social & Relationship Capital

Responsible for Financial integrity, internal controls, audit processes, and assurance.

100%
Independent composition

Stakeholders' Relationship Committee

Capitals Impacted:
Financial Capital, Human Capital and Social & Relationship Capital

Responsible for shareholder services, redressal of grievances and interaction with other stakeholders including analyst / institutional investors.

33%
Independent composition

Nomination and Remuneration Committee

Capitals Impacted:
Human Capital

Responsible for optimal Board composition, senior management succession planning, performance evaluation, and leadership compensation

75%
Independent composition

Risk Management Committee

Capitals Impacted:
Financial Capital

Responsible for risk monitoring, mitigation frameworks and resilience-building measures across business verticals.

50%
Independent composition

Corporate Social Responsibility & Environmental, Social, and Governance Committee

Capitals Impacted:
Financial Capital, Social & Relationship Capital, Natural Capital and Human Capital

Responsible for community development, environmental stewardship, workplace safety, and sustainability performance.

50%
Independent composition

You may also refer the 'Corporate Governance Report' for further details on each of the committees.

Note: The information presented is as of the date of this report

Our Governance Structure

01 Board of Directors
Provides leadership and establishes the Company's strategic trajectory, securing long-term, sustainable success while creating balanced long-term value for entire stakeholder ecosystem.

02 Board Committees
Exercises robust oversight and strategic stewardship over operational facets, including the devising of business strategies, monitoring financial performance metrics, regulatory compliances, and corporate governance standards.

03 Chairperson, MD &CEO and Executive Directors
Directs the implementation of strategic initiatives and provides comprehensive governance and operational oversight across the Company's business verticals.

04 Senior Management
Catalyzes organisational performance through operational efficiencies, ensuring alignment with strategic goals and the preservation of governance and compliance integrity.

05 Business Units and Supporting Functions
Spearheads operational excellence in product and service delivery, cross-aligning daily performance with strategic goals and corporate governance integrity.

Code of Conduct

At Nykaa, we are proud of having built a brand that consumers love and trust. We believe that with success comes more responsibility & accountability of being a credible corporate citizen with highest standards of compliance & governance.

The Company's Code of Conduct codifies our commitment of adhering to the highest standards of corporate governance. The code acts as an ethical roadmap clearly defining the values and operational principles that dictate organisational actions across all levels of operation, ensuring that our teams consistently act with absolute accountability, protecting long-term enterprise value.

Nykaa's code of conduct is reflection of the values cherished and practiced at the organisation, namely:



Corporate Governance

Policies Advocating Governance

At Nykaa, we uphold the highest standards of corporate governance through a robust framework of policies, which direct our decision-making and guide our behaviour.

Key policies include:

Whistle Blower Policy

Providing a platform and mechanism for all Stakeholders to report actual or suspected concerns or violations of the Company's Code of Conduct and all other violations specified in the Statutory Whistle Blower Provisions without any fear of reprisal.

Anti-Corruption and Anti-Bribery Policy

Aims to provide guidelines towards the prevention and identification of bribery and corruption & define procedures to follow if at all any fraud is found to exist in any area of business operations of the Company with the objective of zero tolerance.

Health, Safety and Environment Policy

Aims to continually improve health, safety of its people and care for environment

POSH Policy

Commitment to a safe, respectful workplace. Dedicated to preventing and addressing all forms of sexual harassment

Risk Management Policy

Aims at ensuring that key decisions regarding strategy and institution building are commensurate with the Company's risk appetite

Sustainable Sourcing Policy

Provides a framework for ethical and sustainable sourcing practices

Embedding AI in Governance

Being a new age Company, Nykaa intends to leverage the latest technology by embedding AI across its business verticals including its fair and appropriate usage for strengthening governance standards and steadfast sustained growth.

AI is fundamentally being embedded in how Nykaa operates and delivers value. Rather than approaching AI through isolated pilots or standalone initiatives, the Company treats it as a systemic, enterprise-wide capability, encompassing our people, platforms, operational processes, and governance frameworks, positioning technology at the center of our long-term growth architecture.

Shareholders Value

We consistently strive to meet and exceed investor expectations by executing disciplined, responsible business decisions.

Integrity, structural transparency, and ethical governance form the cornerstone of our capital market relationships. We value our strong, collaborative partnership with shareholders, which is built on a deep understanding of market expectations and an unwavering commitment to generating long-term economic value. Nykaa prioritises active, consistent stakeholder engagement through a comprehensive communication framework including:

- **Quarterly Earnings Calls:** Detailed post-result briefings with senior leadership.
- **Analyst & Investor Meets:** Structured forums outlining long-term strategic roadmaps.
- **Annual General Meetings:** Direct engagement with retail shareholders

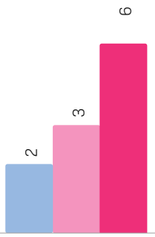
Succession Planning

We prioritise robust succession planning to guarantee smooth leadership transitions and organisational resilience. The Nomination and Remuneration Committee (NRC) oversees and implements these policies for the Board and Senior Management. This approach ensures strict compliance, fair administration, and an unwavering commitment to an ethical, inclusive workplace.

Breakup of Tenure of Board of Directors

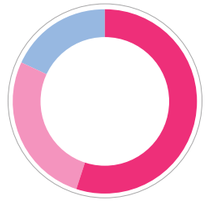
No. of Directors

(Nos)



Directors

(%)



Up to 5 years	55%
5 years 10 years	27%
>10 years	18%

Board/Board Committee Meetings

Board and its Committees	Meetings	Members	Independent Directors
Board of Directors	6	11	6
Audit Committee	5	3	3
Nomination and Remuneration Committee	3	3	2
Stakeholders' Relationship Committee	2	3	1
Risk Management Committee	2	3	1
Corporate Social Responsibility & Environmental, Social, and Governance Committee	3	3	1

In addition to the above, we have also established a Fundraise and Investment Committee to review and recommend investment proposals, including mergers and acquisitions, as well as fundraising initiatives, to the Board. Further, post the financial year ended, we also established a Governance Committee in order to meet the intent of the NFRA Circular relating to effective, documented and two-way communication between the Statutory Auditors and TCWG (Those Charged with Governance).



Board of Directors

STEERING PROGRESS WITH PURPOSE



Falguni Nayar
Executive Chairperson, Managing Director and Chief Executive Officer

C



Sanjay Nayar
Non-Executive, Non-Independent Director

M M M



Adwaita Nayar
Executive Director

M M



Seshashayee Sridhara
Independent Director

C



Milan Khakhar
Non-Executive, Non-Independent Director

M M



Pradeep Parameswaran
Independent Director

C M



Anchit Nayar
Executive Director

M M



Milind Sarwate
Independent Director

C M C



Anita Ramachandran
Independent Director

C M M C



Santosh Desai
Independent Director



Dipak Gupta
Independent Director

M M M M M

Board and its committees

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Fundraise and Investment Committee
- Risk Management Committee
- Corporate Social Responsibility & Environmental, Social and Governance Committee
- Governance Committee

C Chairperson
M Member

Core Management Team

LEADERSHIP THAT SHAPES JOURNEY

Our leadership team brings together diverse expertise, entrepreneurial thinking and disciplined execution to drive our growth journey. United by a shared purpose and a customer-first mindset, we foster innovation, strengthen our capabilities and translate strategy into meaningful outcomes.



Falguni Nayar

Executive Chairperson, Managing Director and Chief Executive Officer



Adwaita Nayar

Executive Director - FSN E-Commerce Ventures Limited (Nykaa) and Managing Director & CEO - Nykaa Fashion Limited & Head of Owned Brands



Anchit Nayar

Executive Director - FSN E-Commerce Ventures Limited (Nykaa) and Managing Director & CEO - Nykaa E-Retail Limited



Vishal Gupta

CEO - Nykaa Distribution



P. Ganesh

Chief Financial Officer



Rajesh Uppalapati

Chief Technology Officer



Surender Mehta

Chief Human Resource Officer



Manoj Jaiswal

Chief Officer - Warehouse Operations



Sujeet Jain

Chief Legal and Regulatory Officer

Awards & Accolades

CELEBRATING MILESTONES OF EXCELLENCE

LinkedIn
Top Companies India 2025
— Nykaa

Candere Hurun India 2025
Recognised among the 10 First-Generation Women Entrepreneurs who have built significant fortunes through their ventures
— Falguni Nayar

ExpressAWE 2025
Woman Entrepreneur of the Year
— Falguni Nayar

Bal Raksha Bharat
Featured among the Top 10 Women Entrepreneurs in India
— Falguni Nayar

The Economic Times
Retail Lifetime Achievement Award
— Falguni Nayar

Forbes
Featured among the World's Top 10 Richest Self-Made Women and in the Top 50 list
— Falguni Nayar

Fortune
Most Powerful Women
— Falguni Nayar

ET Shark Awards 2025
Lifetime Achievement Award
— Falguni Nayar

ET NOW
Women at Top
— Falguni Nayar

Femina
Top Women in Business
— Falguni Nayar

Forbes
India's 100 Richest
— Falguni Nayar

TM Vala
Top 10 Female Entrepreneurs in India
— Falguni Nayar

CNN-News18
Invincible Icons of India Nominee
— Falguni Nayar

Harper's Bazaar
Women of the Year Awards 2025
— Falguni Nayar

Times Now
Women Who Ruled 2025: Five Trailblazers Redefining India's Startup Scene
— Falguni Nayar

CoinDCX
Featured among the Top Women Entrepreneurs in India
— Falguni Nayar

CEO India Magazine
Top Women CEO 2025
— Falguni Nayar

Hurun
Featured in the Richest Self-Made Women List 2026
— Falguni Nayar

Hello Entrepreneur
Inspiring Women Entrepreneurs Leading Change
— Falguni Nayar

Magnum Business Magazine
Top 30 Women Leaders to Watch in 2026
— Falguni Nayar

News18
Featured among the Top 6 Women Entrepreneurs in India
— Falguni Nayar

Fortune India
Most Powerful Women in India
— Falguni Nayar

Fortune 40 Under 40 —
40 Under 40
Adwaita Nayar and Anchit Nayar

IDFC FIRST Private Banking & Hurun India 2025
India's Top 200 Self-Made Entrepreneurs of the Millennia 2025
— Falguni Nayar and Adwaita Nayar

GRI Content Index

STATEMENT OF USE: FSN E-Commerce Ventures Ltd. has reported the information cited in this GRI content index for the period April 1, 2025 to March 31, 2026 with reference to the GRI Standards

GRI 1 USED: GRI 1: Foundation 2021

GRI Standard	Disclosure	Description	Page No.
GRI 2: General Disclosures 2021	2-1	Organizational details	6
	2-2	Entities included in the organization's sustainability reporting	115
	2-3	Reporting period, frequency, and contact point	4, 255
	2-4	Restatements of information	257. Employee turnover numbers for the previous reporting period have been restated.
	2-5	External assurance	255, 297
	2-6	Activities, value chain, and other business relationships	6-21
	2-7	Employees	256
	2-8	Workers who are not employees	256
	2-9	Governance structure and composition	211-224
	2-10	Nomination and selection of the highest governance body	219
	2-11	Chair of the highest governance body	212
	2-12	Role of the highest governance body in overseeing the management of impacts	211-224
	2-13	Delegation of responsibility for managing impacts	211-224
	2-14	Role of the highest governance body in sustainability reporting	129, 223
	2-15	Conflicts of interest	268
	2-16	Communication of critical concerns	215
	2-17	Collective knowledge of the highest governance body	135
	2-18	Evaluation of the performance of the highest governance body	203
	2-19	Remuneration policies	205
	2-20	Process to determine remuneration	205
	2-21	Annual total compensation ratio	2, 48, 249
	2-22	Statement on sustainable development strategy	115, 263, 264
	2-23	Policy commitments	234
	2-24	Embedding policy commitments	234
	2-25	Processes to remediate negative impacts	281, 282
	2-26	Mechanisms for seeking advice and raising concerns	104, 215, 272
	2-27	Compliance with laws and regulations	96-99
	2-28	Membership associations	289
	2-29	Approach to stakeholder engagement	74-75
	2-30	Collective bargaining agreements	272
GRI 3: Material Topics 2021	3-1	Process to determine material topics	76
	3-2	List of Material Topics	77
GRI 3: Material Topics 2021	3-3	Management of Material Topics	117-118
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	117-118
	302-3	Energy intensity	117
GRI 3: Material Topics 2021	3-3	Management of Material Topics	117–118
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	285
	305-2	Indirect (Scope 2) GHG emissions	285
GRI 3: Material Topics 2021	3-3	Management of Material Topics	120
306: Effluents and Waste 2016	306-1	Waste generation and significant waste-related impacts	120
	306-2	Management of significant waste-related impacts	120
	306-3	Waste generated	285, 286
	306-4	Waste directed from disposal	285, 286
	306-5	Waste directed to disposal	285, 286
GRI 3: Material Topics 2021	3-3	Management of Material Topics	273, 274
403 Occupational Health and Safety 2018	403-1	Occupational health and safety management system	273, 274
	403-2	Hazard identification, risk assessment, and incident investigation	273, 274
	403-3	Occupational health services	273, 274
	403-4	Worker participation, consultation, and communication on occupational health and safety	273, 274
	403-5	Worker training on occupational health and safety	273, 274
	403-6	Promotion of worker health	273, 274
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	273, 274
	403-8	Workers covered by an occupational health and safety management system	273, 274
	403-9	Work-related injuries	274
	403-10	Work-related ill health	274
GRI 3: Material Topics 2021	3-3	Management of Material Topics	105
404 Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	105
	404-3	Percentage of employees receiving regular performance and career development reviews	273
GRI 3: Material Topics 2021	3-3	Management of Material Topics	103, 136
405 Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	103, 136, 256, 257
	405-2	Ratio of basic salary and remuneration of women to men	281
GRI 3: Material Topics 2021	3-3	Management of Material Topics	272
406 Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	281
GRI 3: Material Topics 2021	3-3	Management of Material Topics	283
408 Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	283
GRI 3: Material Topics 2021	3-3	Management of Material Topics	283
409 Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	283
GRI 3: Material Topics 2021	3-3	Management of Material Topics	96, 97, 294
417 Marketing and Labelling 2016	417-1	Requirements for product and service information and labelling	294
	417-2	Incidents of non-compliance concerning product and service information and labelling	266
GRI 3: Material Topics 2021	3-3	Management of Material Topics	127
418 Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	127



Management Discussion and Analysis

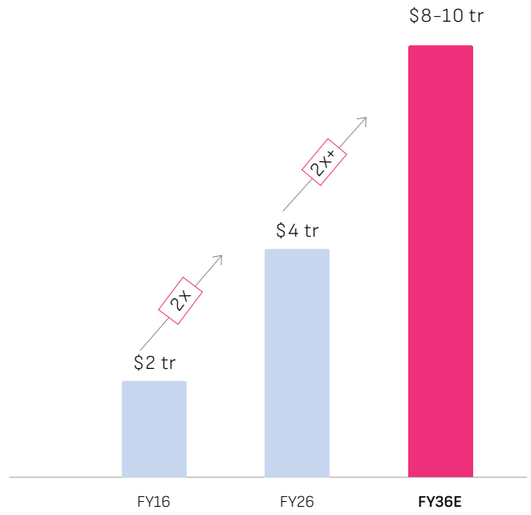
A. Economy and Industry Overview

A1. Indian Economy

India's economic story continues to be shaped by resilience, scale and structural depth. Even against an uncertain global backdrop, growth remains supported by strong domestic demand, robust public investment, improving infrastructure, a deepening digital ecosystem and rising formalisation across sectors. Backed by sound macroeconomic fundamentals, a well-capitalised financial system and deeper integration into global supply chains, the economy is estimated to have grown by 7.7% in FY2026 to $4 trillion, marking a structural doubling of economic value over the past decade. It is projected to nearly double again to $8-10 trillion by FY2036, reinforcing India's position as one of the world's fastest-growing major economies and a compelling long-term growth market.

India GDP

($ tr)



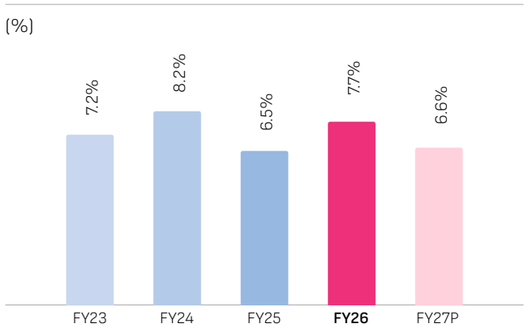
Source: - IMF, Morgan Stanley



Policy support remained an important anchor for India's growth trajectory during the year. The Government continued to pursue a disciplined but supportive fiscal stance, with rising capital expenditure reinforcing the multi-year effort to expand infrastructure and build capacity. Budget initiatives focused on manufacturing, innovation, digital infrastructure and clean-tech transition also created an optimistic investment environment. On the consumption side, income-tax relief and GST rationalisation across several key categories helped improve disposable incomes and support household demand.

At the same time, monetary conditions became more accommodative as inflation eased, enabling the Reserve Bank of India to lower policy rates in a calibrated manner during 2025 and maintain liquidity support. The repo rate stood at 5.25% as of April 2026, marking a cumulative reduction of 125 basis points from the 6.50% peak in late 2024. Fiscal discipline was maintained alongside this easing, with the Government targeting a fiscal deficit of 4.3% of GDP for FY2027 compared with 4.4% in FY2026. Collectively, these fiscal and monetary measures supported consumer confidence, sustained investment momentum and helped create a more balanced growth environment, even as economic activity continued to vary across regions, income groups and sectors.

India Real GDP Growth Trend



Source: RBI, CSO, Bloomberg

Outlook

Despite a challenging global backdrop marked by trade fragmentation, tariff uncertainty and volatility in commodity and financial markets, India's growth momentum remained strong in FY2026. Favourable demographics, rising affluence, rapid digitalisation, economic formalisation and robust infrastructure development are combining to create one of the most compelling consumption opportunities globally.



A2 Indian Retail Industry

India's retail market, currently valued at approximately $0.9 trillion, is projected to expand to $1.3-1.4 trillion by FY2036, making it the world's third-largest retail market. This growth is being driven by resilient domestic consumption, rapid digital adoption, rising disposable incomes, and an accelerating shift towards organised retail, creating a strong foundation for long-term consumption-led growth.

While India's consumption opportunity is expanding, digitalisation is fundamentally reshaping how consumers discover, evaluate, and purchase products. Over the past decade, India has built one of the world's most extensive digital ecosystems, supported by widespread smartphone adoption, affordable internet access, digital public infrastructure, and rapid growth in digital payments.

India's Expanding Digital Consumer Ecosystem

Indicator	FY2026	FY2031P
Internet Users	958 million	1.1+ billion
Smartphone Users	660 million	1 billion+
Social Media Users	500 million	850 million
Online Commerce Users	310 million	400 million

Source: Redseer, Kantar, PIB

This robust foundation has accelerated the adoption of digital-first shopping behaviours across all income brackets and geographies. Today's consumers navigate seamlessly across multiple touchpoints before completing a transaction. Product discovery often happens through social platforms, creator content, or digital communities, while evaluation relies heavily on online reviews, tutorials, and peer recommendations. Whether the final purchase occurs online or at a store, the decision-making process is now increasingly digital.

The convergence of content, community, and commerce defines the modern Indian shopping experience, the e-retail segment is naturally outperforming the broader retail market. India's e-retail sector reached $65 billion in FY2026, up from $54 billion in FY2025 (~20% YoY growth), and is projected to expand to $175 billion by FY2031, growing at 21-22% CAGR. This next phase of growth is expected to be led by new-age and Tier 2+ consumers. Gen Z accounted for 2 in 5 new e-retail shoppers in FY2026, with spend per shopper growing 2.5x faster than that of other shoppers. Tier 2+ cities contributed 2 in 3 new e-retail shoppers, with average order values already at 0.9x of metro cities.

Ultimately, these statistics point to a broader macro shift: India's consumption landscape is undergoing a structural transformation, and the country is poised to emerge as one of the world's largest premium consumption markets over the coming years.



Key Trends Shaping India's Consumption Wave

1. The Affluence Wave and Urbanisation

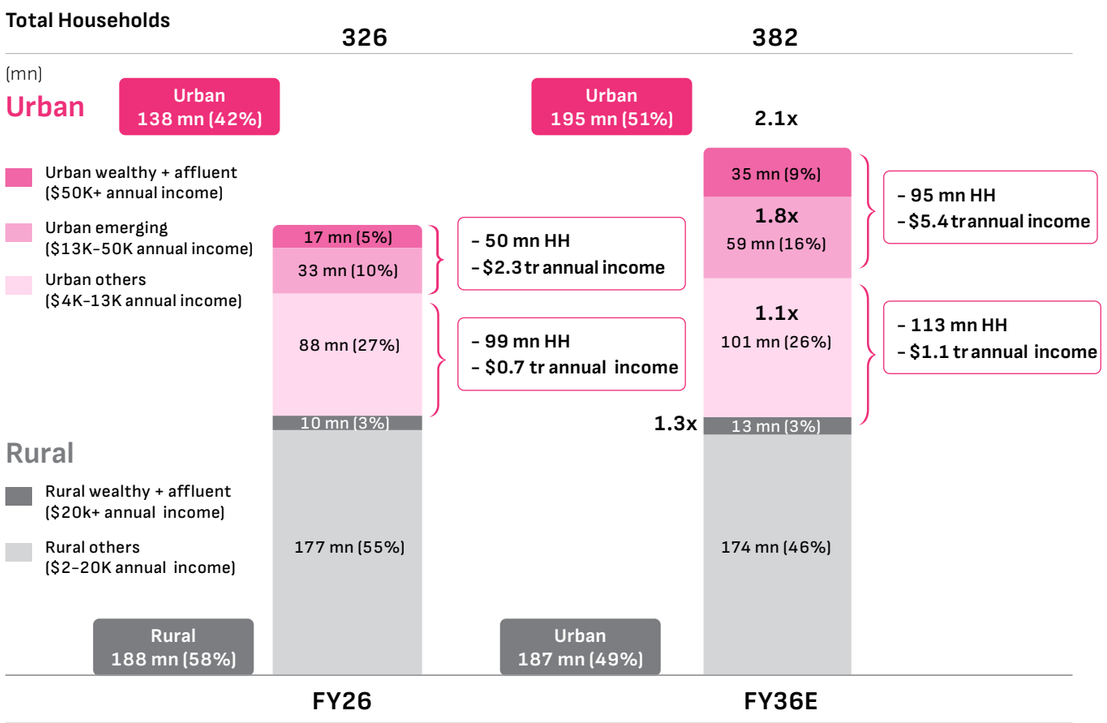
India's consumption story is no longer being driven by population growth alone; it is increasingly being powered by rising affluence and urbanisation. As incomes expand and households migrate towards cities, the country's consumer pyramid is undergoing a meaningful shift toward higher spending cohorts.

India's total households are expected to increase from 326 million in FY2026 to 382 million by FY2036, while urban households are projected to grow from 138 million (42% of households) to 195 million (51%). More importantly, the urban wealthy and affluent cohort is expected to more than double from 17 million to 35 million households (2.1x), while the emerging affluent segment is projected to grow from 33 million to 59 million households (1.8x).

This shift is even more striking when viewed through the lens of purchasing power. Each of these cohorts, in income-pool terms, is already the size of a mid-sized economy and is set to double or more within a decade. The income pool of the urban wealthy and affluent cohort is expected to expand from $2 trillion in FY2026—roughly the size of South Korea's economy—to $4.6 trillion by FY2036, comparable to Japan's GDP. Similarly, the urban emerging cohort's income pool is expected to double from $0.5 trillion to $1 trillion over the same period.

Urban Households to Cross 50% by FY36, Led by Affluent + Emerging Cohorts

India Consumer Cohorts—Households (mn) by Urban/Rural Segment

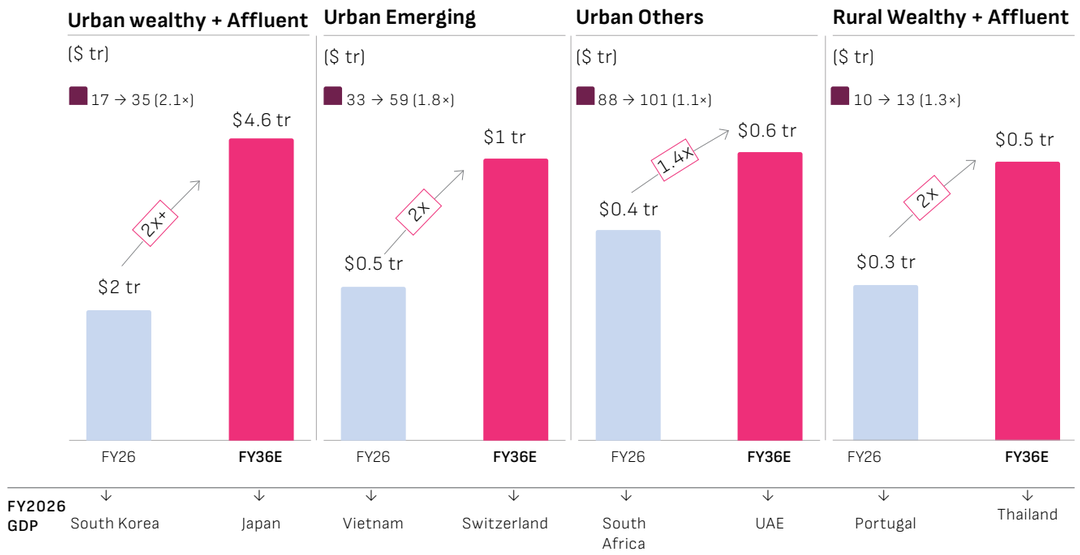


Urban household income will double in next 10 years led by affluent + emerging household cohorts

Source: CLSA report

By FY2036, the urban wealthy, affluent and emerging households will account for only about one-quarter of India's households, yet generate nearly 70% of the country's household income pool, exceeding $5 trillion. This concentration of purchasing power suggests that India's consumption opportunity will increasingly be driven by consumers with greater spending capacity and a stronger preference for premium and lifestyle-oriented products. This growing affluence naturally shifts consumption beyond essential needs towards discretionary purchases, making discretionary consumption the next major leg of India's consumption story.

Every Cohort, a Country-sized Opportunity



Source: CLSA report, IMF, World Bank

2. Discretionary Consumption

As household incomes rise, spending patterns are beginning to resemble those of more mature consumer markets. A larger share of the retail wallet is now directed towards discretionary categories, reflecting improving purchasing power and increasing lifestyle aspirations.

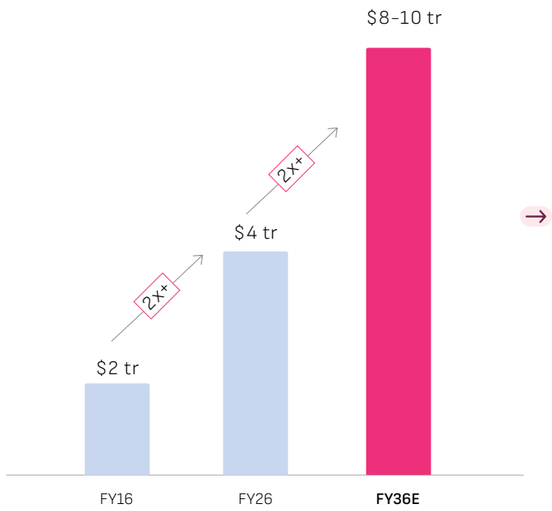
India's discretionary spending continues to converge toward levels seen in these more mature markets. In FY2016, discretionary purchases accounted for just 35% of India's $400 billion retail market. FY2026 that figure rose to 53% of an $870 billion market, and it is projected to reach 60-62% of a $1.3-1.4 trillion market by FY2036. However, this is still meaningfully below the discretionary shares in China (67% of a $7.2 trillion market) and the US (77% of $8.7 trillion market)—signaling tremendous headroom for continued premiumisation in the Indian consumer's lifestyle journey.

Within discretionary consumption, spending also varies significantly across income cohorts. The urban wealthy—the fastest-growing consumer segment—already spends nearly $19,000 annually on discretionary categories, while the urban affluent spends around $9,000.

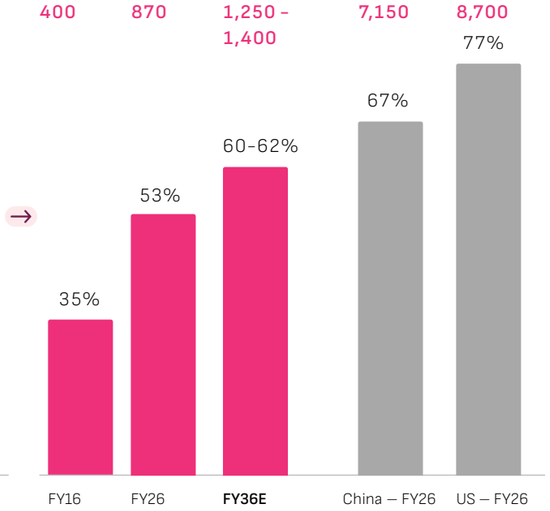
Within discretionary spend, BPC and Fashion are established as the fastest-growing categories, each expected to grow at 12%+ CAGR between FY2026 and FY2031, ahead of the ~10% CAGR for overall discretionary spend. India's discretionary spend pool is expected to grow from $465 billion in FY2026 (of which BPC and fashion together contribute ~23%, or ~$110 billion) to $740 billion by FY2031 (BPC and fashion contributing ~30%, or ~$200 billion), effectively doubling this opportunity.

Discretionary Spend to See Outsized Growth with Continued GDP Growth

India GDP



India Discretionary Spend as % of Retail

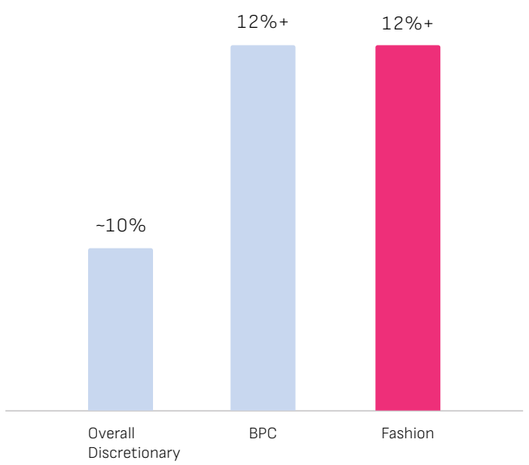


	FY16	FY26	FY36E	China – FY26	US – FY26
GDP ($ tr) →	2	4	8-10	20	30
Overall retail market size ($ bn)					

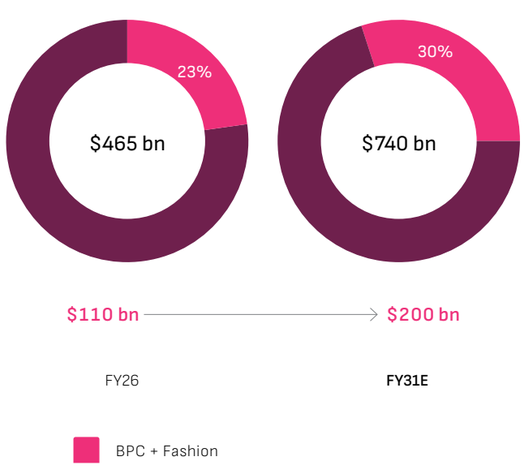
Source: India got retail (2025), IMF, Morgan Stanley. U.S. Census Bureau, National Bureau of Statistics of China

BPC and Fashion are the Fastest Growing Discretionary Categories

FY2026-31E CAGR



India's Discretionary Spend



Source: CLSA report, Redseer (India BPC 2030 and India got retail 2025)

3. Digitally Native Consumers

India's demographic advantage is steadily translating into a powerful consumption advantage. Millennials, Gen Z and, increasingly, Gen Alpha are becoming the dominant drivers of consumer demand, bringing distinctly different shopping behaviours, brand preferences and digital engagement.

Millennials and Gen Z together represented 54% of India's working-age population in FY2016. By FY2026, this had increased to 71%, and with Gen Alpha entering the workforce, these three generations together are expected to account for 86% of the working-age population by FY2036.

Alongside this demographic shift, consumption expenditure from these cohorts is projected to double—from $2 trillion in FY2026 to $4 trillion by FY2036.

Their influence is already visible across lifestyle categories:

- Over 90% of India's Beauty & Personal Care and Fashion spending is driven by Millennials and Gen Z.
- One in two Gen Z women allocate around 20% of their discretionary wallet to premium beauty.
- One in three Gen Z consumers dedicate a similar share to fitness and wellness.
- Skincare searches by Gen Z men have increased 9x over the past five years.

These trends suggest that India's next generation of consumers is not simply spending more—they are spending differently, favouring premium brands, digital discovery and lifestyle-led consumption.

Outlook

Taken together, these structural shifts reinforce a compelling long-term consumption thesis for India. Rising urban affluence is expanding the country's purchasing power, higher incomes are steadily increasing the share of discretionary spending, and a young, digitally native population is reshaping where that spending is directed.

The impact is already evident in premium lifestyle categories such as Beauty & Personal Care and Fashion, which continue to outpace overall discretionary consumption. India's lifestyle online shopper base more than doubled from 105 million in FY2020 to 220 million in FY2026 and is projected to reach 332 million by FY2036.

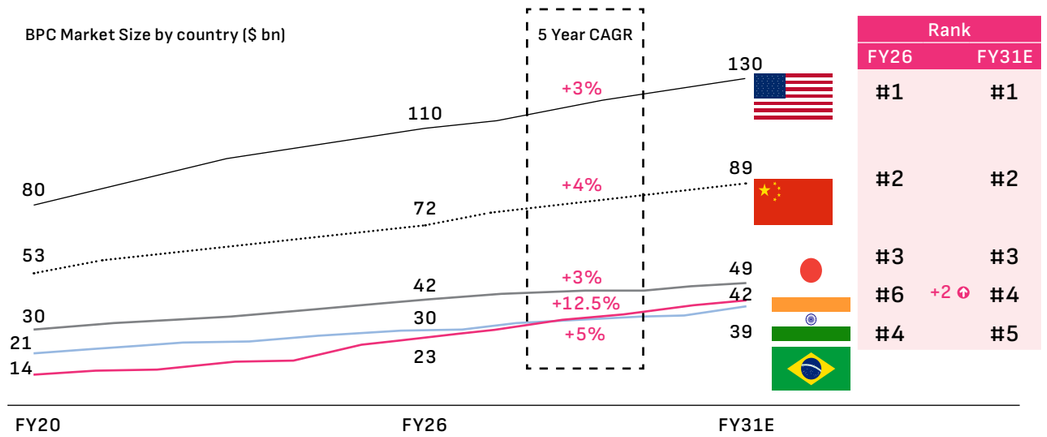
As these three trends reinforce one another, India is entering a multi-year premiumisation cycle—creating one of the world's most attractive long-term opportunities for branded, lifestyle-focused consumer businesses.



A2.1. India's BPC Market

India is at an inflection point in beauty and personal care consumption. India's BPC market is currently among the fastest-growing globally and is on track to become a $42 billion opportunity by FY2031, which would make India the #4 largest BPC market globally by that year, moving up from #6 in FY2026.

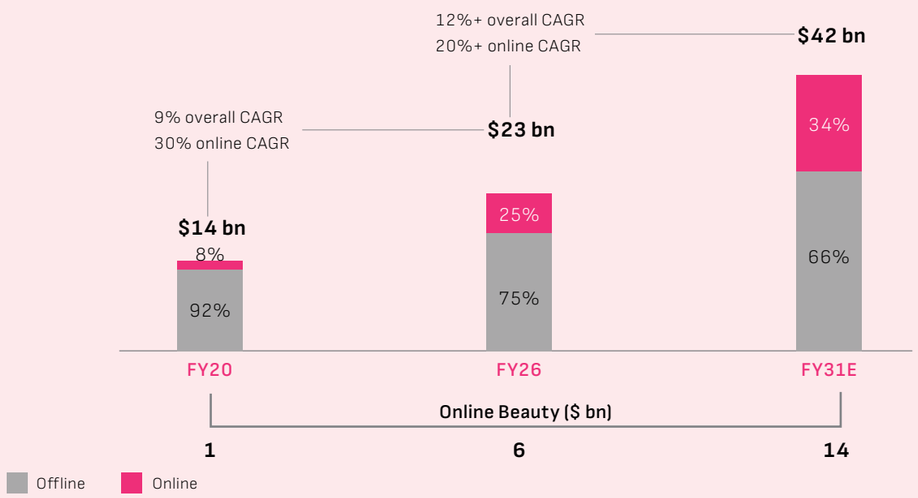
India—A Beauty Powerhouse in the Making, Poised to Rank #4 Globally in BPC Consumption by FY2031



Source: Redseer, China Briefing, HSBC, Company Reports

More importantly, this growth is being led by a strong online acceleration. Online beauty is expanding about 2.5x faster than offline. (20% CAGR – faster than overall Beauty growth). The online BPC market, which accounted for 25% of the total BPC market in India as of FY2026, is expected to grow to around 34% by FY2031, according to Redseer.

India BPC Market (%), ($ bn)



Source: Redseer

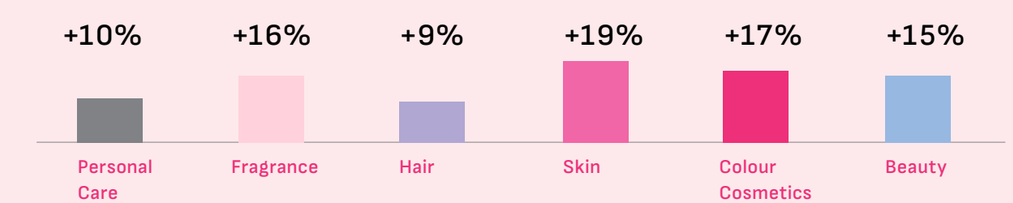


India's online BPC market is poised for strong expansion over the coming years, supported by deeper internet access and a clear shift in consumer behaviour toward digital-first shopping. As shoppers become more comfortable buying beauty and personal care products online, digital platforms are becoming an increasingly important destination for product discovery, brand building, and wider availability. This trend is helping BPC brands strengthen their presence online while also working alongside traditional retail channels in a more integrated way.

India's beauty market is evolving well beyond functional purchasing toward a more personalised, aspirational, and experience-led mindset. Consumers are broadening their baskets, moving from basic products into more specialised and premium categories such as serums, sunscreens, fragrances, and other targeted solutions. This reflects a shift not just toward buying more, but toward buying better—across more categories and more brands. Skincare, makeup, fragrances, and haircare are seeing wider adoption, with consumers increasingly looking for multi-benefit products, cleaner formulations, and more elevated routines. While personal care still accounts for a large share of the Indian BPC market, beauty-led categories are growing faster and steadily gaining share in the overall mix. Emerging trends such as Korean beauty, derma skincare, scalp health, textured hair solutions, separate AM and PM routines, clean beauty, active-led skincare, and the rising relevance of men's beauty all point to a consumer base that is increasingly willing to pay for beauty. Together, these shifts underscore a clear premiumisation trend in Indian BPC, supported by a more informed consumer, greater exposure to global brands, and stronger investment by beauty players in education and awareness. The result is visible in the faster growth of beauty versus personal care, led especially by emerging categories such as skin and fragrance.

Despite all of this progress, India still has a long runway ahead. Per capita BPC spend remains at an early stage, but it is steadily rising as incomes improve and consumers trade up to higher-value products. Even today, India sits well below mature markets on per capita consumption, underscoring how much room there is for growth. A young population with a median age of around 29, a rising middle class, and continued improvements in both digital and physical retail infrastructure all support a sustained demand upcycle in the Indian BPC market. Taken together, India's BPC story is shaping up to be a generational opportunity: a fast-growing category, an expanding online channel, and a consumer base that is still early in its beauty journey.

Beauty is Outpacing Personal Care (%)



Source: Redseer, Euromonitor

A 2.2 India Fashion Market

India's fashion market stood at roughly $60 billion in FY2020 and has since grown to $87 billion in FY2026, a CAGR of 6-7%. Looking ahead, the market is projected to reach $160 billion by FY2031—a trajectory that would make India the third-largest fashion market globally. Within this broader expansion, online fashion is growing meaningfully faster than the offline base: online penetration has climbed from 8% of the market in FY2020 to 18% in FY2026, and is expected to reach 30% by FY2031, translating into online fashion GMV rising from $5 billion to $16 billion (3.5x) over FY2020-2026, and further to an estimated $48 billion (3.0x) by FY2031, at a 22-25% CAGR.

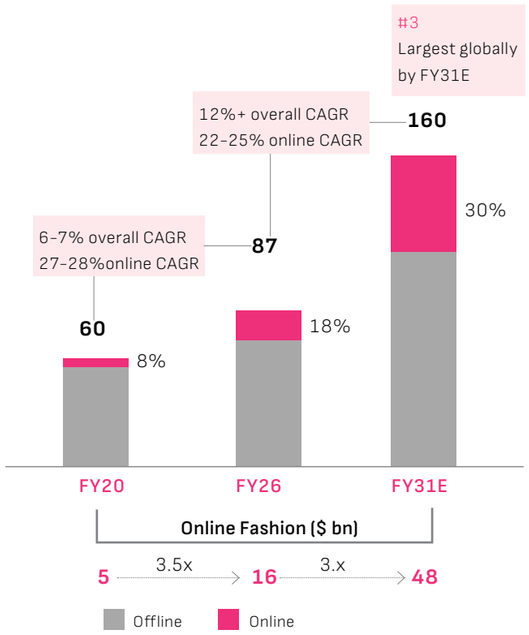
Alongside this broad market expansion, premium fashion is emerging as a significant growth opportunity in India. The premium segment, across both men's and women's categories, represents a nearly $10 billion online premium fashion market opportunity, driven by consumers' increasing preference for quality, branded, and aspirational fashion. Within online channels specifically, the premium fashion market has grown to roughly $2.9 billion in FY2026 (split between $1.6 billion in menswear and $1.3 billion in womenswear) and is expected to nearly triple to $9-10 billion by FY2031, growing at a 26-28% CAGR — outpacing the overall online fashion market by a wide margin.

India's fashion market still sits early on the global spend curve, with per capita spend at about $60 in FY2026. As incomes rise, spend should accelerate faster than GDP, and by FY2031 fashion spend per capita is expected to nearly double to around $110. That implies roughly 2x growth in total fashion spend over the next five years.

The structural forces underpining this shift toward growth of Fashion in India remain the same - affluence wave, a younger India and digitalisation of purchase decisions.

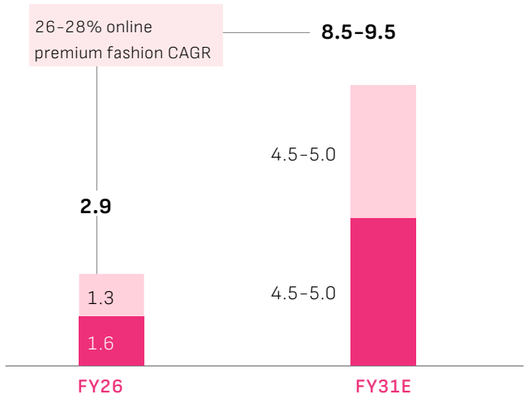
India fashion market size

($ bn)



India online premium fashion market

($ bn)



Premium fashion market in India is expected to become **3x by FY31**, driven by

Affluence Wave
Urban household income to double from $2.7 tr to $6.5 tr in the next 10 years.

+

Young India
Gen Z accounts for nearly half of online fashion & beauty shoppers and spends 1.5x more online in lifestyle-led categories.

+

Digitalisation
90%+ of premium purchasing decisions are now digitally influenced.

Source: Redseer (India's Got Retail 2025), BCG and Meta. Conversion rate $1 = ₹95.

Beyond premiumisation broadly, five specific demand-side shifts are reshaping Indian fashion industry*:

1. **Rise of female consumer**: Female workforce participation in India has grown from 28% in FY2020 to 32% in FY2026, and is projected to reach 40% by FY2031. As more women earn and control disposable income, spending on self-expression is rising sharply: combined beauty-and-fashion spend per female consumer is projected to grow from ₹10,700 in FY2026 to ₹16,000-17,000 by FY2031, a 50% increase. This reflects a broader shift in the female consumer's relationship with fashion—historically driven by need, and increasingly driven by moments: celebrations, occasions, travel, and self-investment rather than pure replenishment.

2. **Men trading up across lifestyle categories**: Male fashion consumption in India is undergoing a structural shift — from replenishment shopping (buying out of necessity) to identity-led shopping (buying as a form of selfexpression). Annual menswear spend per adult male has grown from ₹4,700 in FY2020 to ₹6,200 in FY2026 (a 5% CAGR), and is projected to reach ₹9,500-10,000 by FY2031, accelerating to a 9% CAGR. This is underpinned by a rapidly growing base of affluent male consumers (income >₹10 lakhs): up from 6.9 million in FY20 to 16-18 million in FY2026, and projected to reach 28-32 million by FY2031.



3. **Kids and Home categories accelerating**: As parents increasingly prioritise premium products for their children, India's kidswear market is premiumising rapidly: spend per child in India is expected to grow from $300 in FY2024 to $390 by FY2030, a 30% increase, driven by social media influence and rising parental ambition. The market has also moved decisively from commodity to branded play—the number of digital-first kidswear brands in India has grown 14x, from 50-60 brands in FY2020 to over 800 in FY2026.

4. **Rising demand for international brands**: India's luxury market value has grown from $6.5 billion in FY2020 to an estimated $11 billion in FY2026, and is projected to reach $30-32 billion by FY2031 — a 3x increase. This is closely tied to the rise in global exposure: annual foreign trips from India have grown from 26.9 million (FY2020) to 33-34 million (FY2026), and are expected to exceed 50 million by FY2031. As aspiration rises with global exposure, trading up accelerates, and global and luxury brands benefit disproportionately.

5. **Occasion-led spending on Indian wear**: Consumer search behaviour shows a roughly 3x surge in occasion-led Indian wear queries around key festive and cultural moments. This is matched by a broader premiumisation of the category: the share of the Indian wear market priced above ₹1,500 has grown from 25% in FY2020 to 40% in FY2026, and is expected to reach 50% by FY2031.

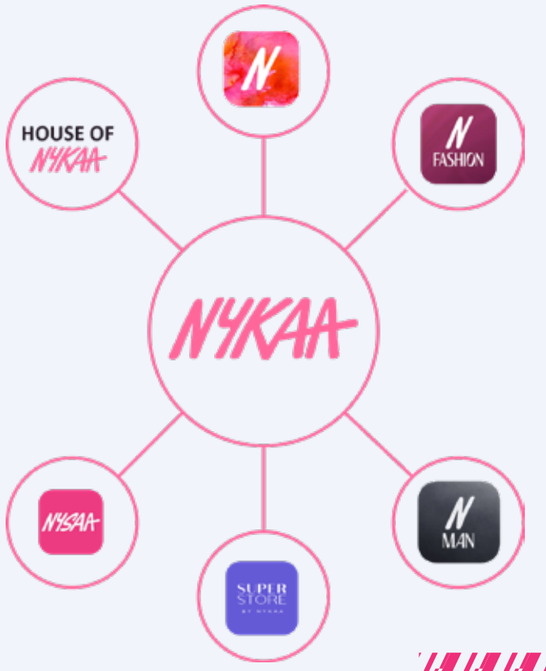
While India is still underpenetrated, growth will be driven by both formalisation and premiumisation. As consumers move from need-based to more aspiration-led buying, the market has a long runway ahead. Online commerce, premium and mid-premium price bands, men's fashion, occasion-led Indian wear, and kids' and home categories are all growing meaningfully faster than the market average, while digital discovery, creator-led content, and integrated logistics are becoming the primary levers for capturing that growth.

Source: Redseer, Vogue Business; 6W Research, DFU Publications; World Bank

B. Business Review

B1. Overview

At Nykaa, we are building India's most loved beauty, fashion and lifestyle destination, where discovery, inspiration and self-expression come together seamlessly. Since our inception in 2012, we have focused on creating experiences that help consumers explore new trends, discover products they love and engage with brands in meaningful ways. Our platform brings together a thoughtfully curated assortment of beauty and fashion brands—from global icons and homegrown favourites to emerging D2C labels, including House of Nykaa brands. Through a seamless omnichannel experience, we aim to meet every consumer need and offer something for every preference, occasion and aspiration. From Korean beauty favourites and clinical derma innovators to iconic luxury houses and cult-loved labels, brands from around the world continue to choose Nykaa as a trusted platform to connect with India's evolving consumers. As consumer lifestyles continue to evolve, we remain focused on shaping experiences that delight customers, empower brands and create lasting connections at every touchpoint.



Offering Ecosystem

Since 2012 till today, Nykaa has evolved from an online beauty platform into India's leading beauty and lifestyle ecosystem. Today, we address a total addressable market of over $100 billion through multiple complementary business verticals

B2C Online Business

Nykaa Beauty and Nykaa Fashion remain our flagship consumer platforms, complemented by Nykaa Man and Nysaa. Collectively, we have served over 55 million customers, making us India's leading beauty and lifestyle destination.

B2C Retail

Our omnichannel strategy is strengthened by our B2C Retail network. Today, we operate 313 stores across 99 cities, making us India's largest beauty retail network. We do have multiple store formats such as Luxe, On Trend, Perfumery, and Kiosks, exclusive House of Nykaa stores, Kay Cafe stores while also operating exclusive brand outlets for global brands like Kiehl's and Charlotte Tilbury.

House of Nykaa

Over the years, we have built a strong portfolio of new-age consumer brands across beauty and fashion. Some of our most successful brands include Nykaa Cosmetics, Kay Beauty and Dot & Key. Today, House of Nykaa comprises 13 brands serving more than 17 million customers, reflecting our ability to identify consumer gaps and build scaled, trusted brands loved by consumers.

B2B

Our B2B ecosystem extends our reach into the unorganised offline BPC market. Through Super Store by Nykaa, we serve more than 500,000 retailers across 1,200 cities, providing retailers access to a wide assortment along with dedicated GTM and distribution for our House of Nykaa brands.

Beyond these businesses, we have built a strong B2B2C ecosystem through strategic partnerships with leading global brands. We provide end-to-end capabilities across brand launch, distribution, retail, digital commerce, and marketing, enabling brands to establish and scale their presence in India. We also serve as the exclusive importer and distribution partner for more than 50 international brands. This positions Nykaa as a long-term strategic partner for brands, while creating meaningful opportunities to play a larger role across the entire brand value chain.

Collectively, these businesses create a powerful flywheel. Together, this integrated ecosystem enabled Nykaa to surpass $2 billion in GMV in FY2026 across all our platforms, positioning us strongly for the next phase of growth.

Nykaa - India's Leading Beauty and Lifestyle Destination

Catering to a Total Addressable Market (TAM) of $100 bn+

B2C Online

India's leading beauty and lifestyle platforms

Key metric

55 mn+
customers served till date

Platforms

NYKAA · FASHION · NYSAA · MAN

B2C Retail

India's largest beauty retail network

Key metric

313 stores
99 cities

EBOs for

NYKAA LUXE · NYKAA ONTREND · NYKAA KIOSK · NYKAA PERFUMERY · Kiehl's · Charlotte Tilbury

House of Nykaa

New age consumer brand portfolio

Key metric

13 brands
17 mn+ customers

Brands

DOT & KEY · Kay Beauty · NYKAA cosmetics · Nykd · TWENTY DRESSES

B2B2C

Deep partnerships with full stack offering

Key metric

50+
global brands

Brands

NIKE · Kiehl's · Foot Locker

Exclusive importer and distribution partner for international brands

B2B

Serving retailers across unorganised BPC space

Key metric

500K retailers
~1.2K cities

Platform

SUPER STORE BY NYKAA

$2bn+ FY26 GMV across all platforms

*Figures are for the quarter ended March 31, 2026 (Q4FY26). Conversion rate: $1 = ₹95. Market sizing number as per Redseer.

B2. Beauty

The Beauty vertical encompasses Beauty Online, Beauty Stores, House of Nykaa Beauty Brands, Superstore by Nykaa and Nykaa Man Grooming, bringing together our consumer, brand and retailer-facing businesses under a unified beauty ecosystem.

B2.1 Multi brand Omnichannel Beauty Retail

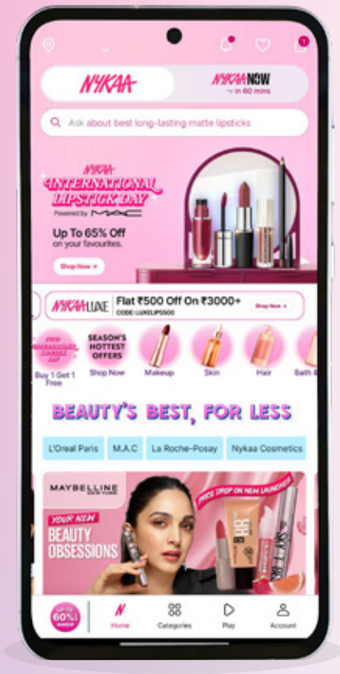
Our Beauty vertical recorded a GMV of ₹14,954 crores in FY2026. It is centred on creating a comprehensive and trusted destination for beauty discovery, inspiration and shopping. Today, we serve over 45 million Beauty customers, with our Annual Unique Transacting Customer (AUTC) base doubling over the past three years. Through strategic investments in technology, distribution, marketing and fulfilment capabilities, we continue to strengthen our ability to offer consumers a curated assortment of authentic products while helping brand partners expand their reach and deepen consumer engagement.

As of March 31, 2026, our beauty business had 4,400+ brands across makeup, skincare, haircare, bath and body, fragrances, personal care, health and wellness categories. Our platform serves as a launchpad for global, domestic and emerging brands, enabling them to connect with consumers through content-led discovery, personalised experiences and omnichannel access. In FY2026, Nykaa launched more than 200 new brands to its platform, further strengthening its position as the preferred destination for beauty discovery. From sought-after Korean beauty brands and iconic luxury maisons to science-backed derma labels and cult-favourite names, brands across price points, geographies, and categories continue to choose Nykaa as their trusted partner to build and scale in India. Our inventory-led operating model, supported by direct sourcing from these brands and authorised distributors, ensures product authenticity, reliable availability and timely fulfilment, reinforcing consumer trust.

As India's beauty market continues to evolve and attract leading international brands, we have strengthened our position through the Global Store proposition. This platform provides end-to-end support to 40+ global beauty brands, including Charlotte Tilbury, Uriage, Eucerin, TIRTIR, AXIS-Y and OUAI, among others. Through our online and offline channels, these brands gain access to a consumer base of more than 55 million shoppers while benefiting from Nykaa's merchandising, marketing and distribution capabilities.

Recognising the growing importance of experiential beauty retail, we launched our first physical store in 2014 and have since built India's largest beauty retail network, spanning 313 stores across 99 cities as of March 31, 2026. Over the last three years, we have added 168 new stores, extending our presence into 39 new cities and introducing six differentiated retail formats. Our store portfolio spans Nykaa Luxe, Nykaa On Trend, Nykaa Kiosks, Wanderlust Brand Carts, Kay Kafe, Nykaa Perfumery, EBOs for Kiehl's and Charlotte Tilbury, and House of Nykaa exclusive standalone brand store, each designed to cater to distinct consumer segments and shopping missions. These stores create immersive environments where consumers can discover, experience and engage with brands through personalised consultations, product trials and expert guidance. Notably, nearly two-thirds of premium beauty GMV originated through our physical retail network, underscoring the strength of our omnichannel model.

Complementing our multi-brand portfolio is our growing House of Nykaa beauty business, which includes Nykaa Cosmetics, Kay Beauty, Dot & Key, Nykaa Wanderlust, Earth Rhythm, Maison Moi, Nykaa Collection and Nudge. These brands are available across our digital and physical channels, as well as select third-party retail networks. Designed around evolving consumer preferences and Indian beauty needs, our owned brands continue to strengthen our category presence while driving innovation and differentiation.



FY2026: A Defining Year of Marquee Brand Launches

Key Highlights

200+
New brands launched in FY26

From Korean favourites to iconic luxury houses, from clinical derma brands to cult-favourite labels—brands across every price point, origin and category have chosen Nykaa as their trusted partner.

Ultra-Luxury

CHANEL · la prairie SWITZERLAND · PRADA BEAUTY · SK-II · CHANTECAILLE · ARMANI beauty · DOLCE & GABBANA BEAUTY

60
New Launches across Global and Ultra-Luxury brands

Best of Global Beauty

LA ROCHE-POSAY LABORATOIRE DERMATOLOGIQUE · NEXXUS · Supergoop! · Milk MAKEUP · H&M Beauty · beautyblender · it COSMETICS · PAULA'S CHOICE SKINCARE · KYLIE COSMETICS BY KYLIE JENNER

Korean Beauty

AESTURA · Dr. Althea · fwee · anua · numbuzin · medicube · Pyunkang Yul · d'Alba · BEAUTY OF JOSEON · mise en scène · Torriden · ETUDE

27
Korean Beauty launches

B2.2 House of Nykaa

Our portfolio of 13 House of Nykaa brands continues to scale rapidly, playing a significant role in expanding consumer choice, strengthening category leadership, and driving profitable growth. Developed around evolving consumer preferences and the unique needs of Indian consumers, these brands have built strong consumer affinity and are increasingly establishing themselves as distinct brands in their own right. Spanning categories from colour cosmetics to skincare and price points from mass to premium, the House of Nykaa portfolio caters to a wide spectrum of consumer needs while reinforcing Nykaa's leadership across the beauty landscape.

House of Nykaa continued its strong growth trajectory during FY2026, with the Beauty portfolio delivering a CAGR of over 50% during the last three years. Collectively, the House of Nykaa portfolio generated a GMV of ₹3,176 crores, representing a robust 49% year-on-year growth, while serving more than 17 million customers and extending its reach to over 150,000 general trade outlets across India.

The beauty brands, comprising Dot & Key, Kay Beauty, Nykaa Cosmetics, Nykaa Wanderlust, Maison Moi, Earth Rhythm and Nykaa Collection, contributed ₹2,788 crores in GMV, while Fashion brands including Nykd, Twenty Dresses, KICA, RSVP and Gajra Gang delivered ₹388 crores in GMV. FY2026 was characterised by strong consumer traction, innovation-led growth and continued category expansion. Dot & Key further reinforced its leadership across key skincare segments, while Kay Beauty strengthened its position as one of India's most admired beauty brands and marked its international debut through a partnership with Space NK. Nykaa Cosmetics continued to cement its position as a trend-forward brand, through innovative product launches and high-impact collaborations that resonated with evolving beauty trends. These brands continue to do well not just on Nykaa platform but also outside Nykaa ecosystem. More than 20% of House of Nykaa Beauty GMV was generated from new launches, reflecting our commitment to innovation and consumer-centric product development.

During the year, we expanded our product portfolio, introduced differentiated experiential formats such as Kay Kafe and the House of Nykaa Store, and strengthened our international footprint with Kay Beauty's entry into the UK market. Beyond the Nykaa ecosystem, several of our brands continue to scale successfully across multiple channels and consumer touchpoints, reinforcing the strength, relevance and long-term potential of our owned-brand strategy.

FY2026 was a Standout Year for House of Nykaa

Customer love

Dot & Key continued **winning in sunscreens and moisturisers**

Kay Beauty recognised as one of the **best makeup brand by Grazia, Femina, Red Beauty**

Innovation-first approach

20%+

GMV from new launches [Beauty]

High impact collab

High impact collaborations such as **FSP and Bridgerton** which garnered strong traction

Category and range expansion

Kay Beauty launched its **first tinted sunscreen, gaining good traction**

Nykd expanded its offering from **lingerie into athleisure and sleepwear**

Differentiated experiential format

Launched **Kay Kafe** and our **House of Nykaa exclusive standalone outlet**

International expansion

Kay Beauty successfully entered the UK market with **Space NK**

Established



2015

India's trendiest Makeup brand built for youthful beauty consumers of today, and tomorrow



2019

India's first and most successful celebrity-led makeup brand



Acquired 2021

One of India's leading new-age skincare brands
#1 skincare brand on Nykaa

Emerging



2019

Capturing premiumisation wave in Bath & Body with sensorial offerings



Acquired in 2022

Tapping into India's burgeoning clean, kind, effective beauty trend

Incubating



2017

Trend-led Eau de Parfums collection featuring floral, fruity, and gourmand profiles like Delicate Vanilla, Cherry Bomb, and Golden Goddess



2017

Youthful beauty brand that brings trend-forward, high-performance skincare, haircare, body care, and beauty tools to everyone at accessible prices



Acquired in 2022

Science backed D2C new age brand, with the aim to simplify nutrition and make it more convenient to consumers, one nudge at a time

India's largest D2C skincare brand

DOT & KEY

Dot & Key

We acquired a 51% stake in Dot & Key in September 2021, followed by an additional 39% stake in September 2024. Since becoming part of the Nykaa ecosystem, the brand has delivered exceptional growth, surpassing ₹1,790 crores in GMV and emerging as one of India's leading new-age skincare brands. Today, Dot & Key products are available across our Nykaa store network as well as through Superstore by Nykaa, extending the brand's reach across both consumer and retailer channels.

Driven by science-backed innovation and a strong understanding of evolving skincare needs, Dot & Key has built leadership across several high-growth categories such as moisturisers, sunscreens, face wash, etc., ranking among Top 3 skincare brand across marketplaces. The brand has also demonstrated its ability to create and scale emerging categories through innovation-led launches. During FY2026, products such as Meltie Lip Balm, with over 935 units sold daily, and Active Face Serums, with over 1,000 units sold daily, gained strong consumer traction. With its premium positioning, differentiated formulations and strong consumer affinity, Dot & Key continues to strengthen its leadership in India's fast-growing skincare market.

Brand Footprint

₹1,790 cr
GMV in FY2026
[13x in 3 yrs]

High Teens
EBITDA margin

Winning in core categories



Kay Beauty

India's largest celebrity brand, delivered a year of strategic breakthroughs

Kay Beauty: Launched in 2019, Kay Beauty was born from a shared vision between Nykaa and Katrina Kaif to create a beauty brand that celebrates individuality, inclusivity and self-expression. Designed for the diverse beauty needs of Indian consumers, the brand offers thoughtfully curated products across shades and formulations that cater to a wide spectrum of Indian skin tones.

Today, Kay Beauty has grown into India's largest celebrity beauty brand, building a loyal community of nearly 3 million customers as of March 31, 2026. Available across Nykaa's store network and more than 800 premium beauty advisor-assisted retail outlets, the brand continues to deepen consumer engagement through its omnichannel presence. In FY2026, Kay Beauty surpassed ₹380 crores in GMV, nearly tripling its scale over the last three years.



#1 brand in foundation and blush on Nykaa.com

#1 Kajal brand on Nykaa
1 kajal sold every minute

Brand Footprint

₹380 crores
GMV in FY2026

20%+
New launch contribution

Awards and recognitions



During the year, the brand strengthened its premium positioning through a limited-edition collaboration with leading couture house Falguni Shane Peacock, launched Kay Kafe, a first-of-its-kind lifestyle café blending beauty, coffee and community, and introduced its dedicated D2C website. Kay Beauty also expanded its global footprint, becoming the first Indian beauty brand to join Space NK's curated portfolio in the UK while emerging among the top-performing brands on Nysaa in the GCC region. Recognised through multiple industry accolades, Kay Beauty continues to set new benchmarks in the Indian beauty landscape.

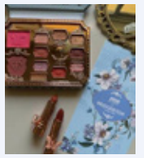
NYKAA cosmetics

Trend forward brand for GenZ consumers

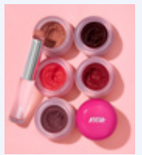
Nykaa Cosmetics: Introduced in 2015, Nykaa Cosmetics was created to make trend-led beauty accessible, relevant and expressive for India's young consumers. With a vibrant portfolio of makeup products and beauty tools inspired by global trends, the brand empowers consumers to experiment, create and express their individuality with confidence.



#1 brand in lips on Nykaa – 3 lipsticks sold every minute



Collab with Netflix's biggest show Bridgerton – 6 products sold every minute during launch week



~24% contribution from new launches fuelled by a robust innovation engine

Brand Footprint

₹400 cr
GMV in FY2026

62K+
Selective doors

~24%
New launch contribution

Over the years, Nykaa Cosmetics has built a strong connection with Gen Z and millennial consumers through its focus on innovation, cultural relevance and community engagement. Combining international-quality formulations with products tailored for Indian skin tones and lifestyles, the brand continues to stay ahead of evolving beauty trends. During FY2026 collaborations such as Nykaa Cosmetics x Bridgerton transformed global cultural moments into differentiated beauty experiences. Through initiatives like NC Crew, its Gen Z-focused community platform, and immersive on-ground experiences, the brand continues to strengthen engagement with younger consumers. Reflecting its growing consumer appeal and category leadership, Nykaa Cosmetics surpassed ₹400 crores in GMV during FY2026.

Brand Footprint

₹160 cr+
GMV in FY2026

Among top
Selling in bra category on Amazon

#1
In lingerie on Nykaa

33%
Repeat customers in FY2026



Nykd: Introduced in 2020, Nykd was created to redefine intimate wear for modern Indian women through a blend of comfort, functionality and thoughtful design. During the year, the brand expanded into sleepwear and activewear, introducing products designed to offer a comfortable, second-skin feel while further strengthening its lingerie portfolio. In FY2026, the brand surpassed ₹150 crores in GMV, becoming the leading lingerie brand on Nykaa Fashion while also establishing a strong presence on other marketplaces.

Emerging Brands

Nykaa Skin is focused on addressing the evolving skincare needs of consumers through globally trending formats, science-backed ingredients and efficacy-driven formulations, helping strengthen our presence in one of the most dynamic segments of the beauty market.

Maison Moi continues to capitalise on the rapid growth of the fragrance category through innovative launches and consumer-centric offerings, particularly within the fast-growing gourmand fragrance segment.

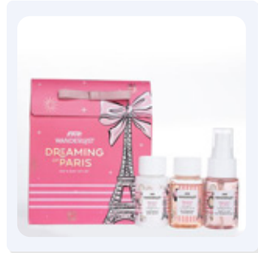
Earth Rhythm is building a strong presence in the clean beauty space, supported by a refreshed brand identity and a growing portfolio of efficacy-led products that align with rising consumer demand for conscious and science-backed beauty solutions.

Nykaa Wanderlust continues to strengthen its presence in the premium bath and body segment through trend-led product innovations and sensorial experiences, catering to consumers increasingly trading up from functional products to indulgent self-care routines.









B2.3 Superstore by Nykaa: Beauty eB2B Distribution

Extending our reach beyond consumer retail, Superstore by Nykaa serves the unorganised beauty and personal care market through a dedicated eB2B platform. As of March 31, 2026, the platform served 5 lakhs retailers across ~1,200 cities, offering access to a diverse portfolio of more than 200 FMCG, D2C and regional brands. By enabling wider distribution and improving product accessibility, Superstore by Nykaa helps partner brands deepen market penetration while empowering retailers with greater choice and convenience.

Launched more than four years ago, Superstore by Nykaa is our dedicated eB2B platform designed to serve independent beauty and personal care retailers across India. Through a dedicated mobile application, the platform enables retailers to access a wide assortment of products while helping brands expand their reach within the large and fragmented unorganised BPC market, which accounted for 48% of the overall BPC industry in FY2026, according to Redseer estimates.

₹160 cr+
GMV in FY2026

~5 Lakh
Onboarded retailers

~1,200
Cities

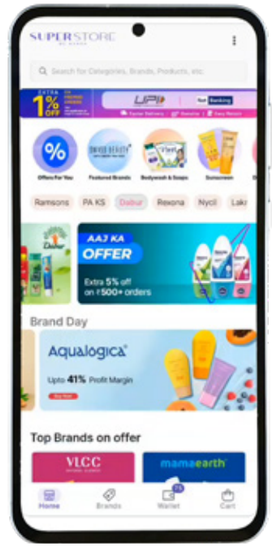
Built as a democratised distribution ecosystem, Superstore by Nykaa combines product access, convenience and technology-enabled services to empower retailers. The platform offers a comprehensive assortment of leading brands, international bestsellers and emerging online-first products through a single destination. Retailers benefit from reliable doorstep delivery, credit facilities, quick returns and the flexibility to choose what to buy, how much to buy and when to replenish inventory. By providing access to popular and high-demand products, the platform helps retailers enhance product assortment and improve earning potential.

Superstore by Nykaa continues to play a meaningful role in expanding India's beauty ecosystem by widening access to distribution for new-age, premium and global brands, while enabling FMCG brands to drive premiumisation across markets. In FY2026, the business generated a GMV of ₹1,187 crores, reflecting 26% YoY growth, while the retailer base expanded by 38% YoY to nearly 5 lakhs onboarded retailers. Over the last three years, Superstore has scaled 4x in GMV and more than 3x in retailer reach, reinforcing its position as one of India's fastest-growing beauty distribution platforms. Increasing platform engagement is reflected in the fact that over 30% of repeat orders in FY2026 were placed without feet-on-ground intervention, highlighting the growing adoption of its technology-led operating model and continued progress towards profitable growth.

B2.4 Achievements of FY2026 – Beauty Vertical

Business Performance

Particulars	FY2026	FY2025	% Increase/ (Decrease)
Monthly average unique visitors (mn)	44.7	35.7	25%
Annual unique transacting customers (mn)	19.7	15.8	25%
Orders (mn)	65.8	54.5	21%
AOV (₹)	2,068	2,021	2%
GMV (₹ cr)	14,954	11,775	27%



B3. Fashion

Fashion vertical comprises Nykaa Fashion, House of Nykaa Fashion Brands, LBB and Nykaa Man Lifestyle.

Launched in 2018, Nykaa Fashion was created to inspire individual style and make fashion discovery more engaging, accessible and personalised. Today, it has evolved into India's leading destination for trend-first, style-forward consumers, serving nearly 11 million customers and delivering nearly 40% growth in customer acquisition. Reflecting the strength of our proposition, the Fashion vertical generated ₹4,954 crores in GMV and ₹1,447 crores in NSV during FY2026, with both metrics doubling over the last three years.

As of March 31, 2026, Nykaa Fashion offered a curated assortment of nearly 5,700 brands across women's, men's, kids' and home categories. Spanning apparel, footwear, lingerie, bags, jewellery, accessories, athleisure, home décor and kitchen essentials, the platform caters to diverse lifestyles, occasions and price points while helping consumers discover fashion that reflects their individuality and evolving aspirations. During FY2026, we further strengthened our assortment with the addition of 1,280 new brands, supporting robust growth across emerging categories, with Men growing over 60% YoY, Kids over 50%, and Home over 40%, reflecting our ability to anticipate evolving consumer preferences and unlock new growth opportunities.



At the heart of Nykaa Fashion lies a strong focus on curation. Rather than offering endless choice, we aim to present consumers with relevant, trend-forward selections sourced from leading global, national and emerging brands. Powered by content, technology and consumer insights, we create personalised shopping journeys through editorial storytelling, tailored recommendations and intuitive digital experiences, strengthening engagement with fashion-conscious consumers across India.

A key strategic focus for Nykaa Fashion in FY2026 was strengthening partnerships with leading global fashion brands to bring world-class products and experiences to Indian consumers. During the year, the platform expanded its collaborations with international brands such as H&M and Nike, reinforcing its position as a trusted partner for global fashion players entering or scaling in India.

Under the Nike-Nykaa partnership, Nykaa now manages the end-to-end operations of Nike's digital commerce platforms in India. This engagement reflects the confidence that leading global brands place in Nykaa's digital capabilities, operational excellence, and deep understanding of the Indian consumer.

Over the years, Nykaa has built a scalable and repeatable partnership model for brands whose strategic objectives align with its strengths. For example, Nykaa is Foot Locker's exclusive e-commerce partner in India and manages its direct-to-consumer website. The company also partners with global retailers such as Revolve, Urban Outfitters, and Next through cross-border B2B2C integrations and marketplace enablement.

As these partnerships have evolved, Nykaa's role has expanded well beyond that of a traditional retailer. Today, the company provides a comprehensive digital commerce platform encompassing technology infrastructure, consumer insights, omnichannel capabilities, and fulfilment expertise. This positions Nykaa as a long-term strategic partner for global brands and creates opportunities to participate across a broader spectrum of the brand value chain.

GMV Growth

₹4,954 cr
GMV [30% YoY]

~5,700
Brands

11 mn
Customer base

FY2026 was a Year of Strong Assortment Building – 1,280 New Brands Launched

Women — 680+ New brands launched

Men — 170+ New brands launched

Kids — 120+ New brands launched

Home / Accessories — 280+ New brands launched

Curated for Every Style Journey

To serve diverse consumer preferences and style journeys, Nykaa Fashion has built a portfolio of differentiated propositions that combine curation, discovery and relevance. Nykaa Fashion operates predominantly on a marketplace model supported by custom-built technology platforms and data-driven capabilities. This asset-light approach enables agility, scalability and capital efficiency in a category characterised by evolving trends, expanding assortments and changing consumer preferences.

Global Store brings leading international fashion trends closer to Indian consumers through partnerships with renowned global brands. As of March 31, 2026, the platform offered curated collections from 1,000+ international brands, including names such as Revolve, Foot Locker, Cider, BDG, and Threadbare. By providing access to globally relevant styles and differentiated assortments, Global Store continues to strengthen Nykaa Fashion's premium and trend-forward appeal.

Hidden Gems celebrates India's vibrant homegrown fashion ecosystem by showcasing distinctive labels and emerging designers from across the country. As of March 31, 2026, the proposition featured curated collections from over 400 Indian brands, help consumers discover distinctive, design-led looks for celebrations and special moments.

Luxe Store caters to the increasing demand for premium and luxury fashion by bringing together a curated assortment of coveted international and domestic brands. As of March 31, 2026, the platform offered access to more than 550 luxury brands, enabling consumers to explore elevated fashion experiences through a trusted destination.

Gen Z Store is designed for digitally native consumers seeking trend-led, expressive and constantly evolving styles. Featuring a 10,000+ curated assortment as of March 31, 2026, the proposition draws inspiration from emerging fashion movements and contemporary youth culture. Several of our owned brands have witnessed strong consumer traction within this segment, supporting their rapid growth and scale.

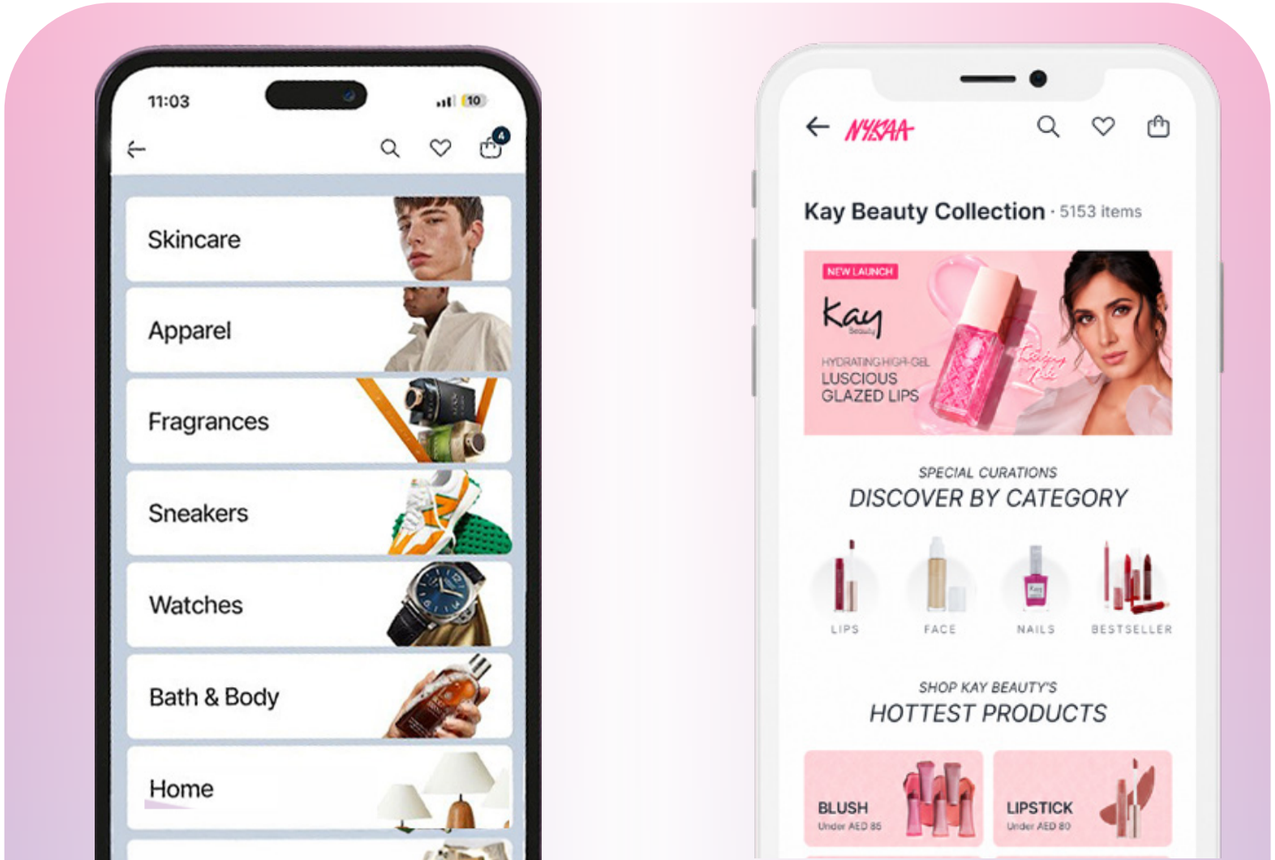
B3.1 Achievements of FY2026 – Fashion Vertical

Business performance

Particulars	FY2026	FY2025	% Increase/ (Decrease)
Monthly average unique visitors (mn)	24.2	19.1	27%
Annual unique transacting customers (mn)	4.3	3.2	35%
Orders (mn)	10.1	7.6	33%
AOV (₹)	4,652	4,609	4%
GMV (₹ cr)	4,954	3,804	30%

B.4. Nykaa Man

Launched in 2019, Nykaa Man was created to make grooming, beauty and lifestyle discovery more accessible and relevant for men. Through dedicated digital platforms, we offer curated assortments, expert content and personalised experiences designed around their evolving preferences.



B.5. New Businesses

Our New Businesses segment comprises emerging growth opportunities, including our international operations in the Gulf Cooperation Council (GCC) region through Nysaa, our omnichannel beauty retail platform. Established in partnership with Apparel Group in FY2023 through Nessa International Holdings Limited, the venture combines Nykaa's beauty expertise with Apparel Group's regional retail capabilities. FSN International holds a 55% stake in the entity.

Driven by favourable demographics and rising beauty consumption, the GCC presents an attractive growth market for the beauty and personal care category. In 2024, we entered the region through the launch of the Nysaa digital platform and our first retail store, bringing Nykaa's curated beauty experience to GCC consumers.

While still in its early stages, as of March 31, 2026, Nysaa offered a curated portfolio of over 280 global beauty brands, including Kylie Cosmetics, By Terry, ICONIC London, Dr. Barbara Sturm, Beauty of Joseon, and Augustinus Bader. The business currently contributes less than 1% of One Nykaa GMV. However, with two stores in Dubai and a growing omnichannel presence, Nysaa is steadily expanding brand awareness and deepening consumer engagement across the region.

B.6. Value Proposition

We are focused on creating experiences that make discovery intuitive, shopping effortless and engagement meaningful. We recognise that consumers today invest significant time exploring products, comparing options and seeking trusted recommendations before making a purchase. Our ecosystem is designed to support these journeys through a blend of curated assortments, content-led discovery, technology-enabled personalisation and seamless omnichannel experiences.

By leveraging consumer insights, data intelligence and integrated touchpoints, we create relevant and personalised experiences that cater to diverse preferences, needs and occasions. This approach has helped us build deep consumer trust and strong levels of engagement across our beauty and fashion platforms.

Authenticity Meets Assurance

We are committed to ensuring that every product purchased through our platform is genuine, high quality and sourced through authorised channels. Our beauty and personal care business primarily operates on an inventory-led model, with products procured directly from brands or their authorised distributors, enabling us to maintain stringent standards of authenticity and quality.

Across our operations, we have established robust quality control processes, including regular checks at our fulfilment centres, to safeguard product integrity. For fashion, we follow a curated marketplace approach and work exclusively with authorised brand partners and sellers. Complementing these measures are dedicated systems for monitoring, addressing and resolving consumer feedback in a timely manner. Together, these practices reinforce consumer confidence, strengthen brand partnerships and uphold the trust that consumers place in Nykaa.

Powering Consumer Journeys through Content

Content is central to how consumers discover, learn and engage on Nykaa. From expert tutorials and product reviews to trend-led conversations, creator collaborations and user-generated content, we create experiences that inform, inspire and empower consumers at every stage of their journey. Our goal is not only to simplify product discovery but also to shape beauty and lifestyle conversations and keep consumers connected with the latest trends and innovations. Supported by a strong presence across social media platforms and editorial destinations such as Nykaa Beauty Book and Style Files, we continue to strengthen our position as one of India's most influential lifestyle and discovery-led platforms.

Nykaa Play: Our interactive, gamified beauty discovery platform that combines shoppable content, live streaming, creator-led engagement, gaming experiences and influencer storefronts to make product exploration more engaging and immersive.

Nykaa Experiences and Events: Through marquee properties such as Nykaaland, Nykaa Luxe Stories, K-Beauty Festival, Nykaa Beauty Bars, Nykaa Fashion Pickle Padel Party and partnerships with key players including Vogue Wedding Atelier and Gaurav Gupta for Nykaa Luxe—we bring beauty, fashion and lifestyle communities together through curated, experiential formats.

Nykaa Affiliate Programme (NAP): India's largest beauty and lifestyle creator network enabling influencers, bloggers and content creators to monetise their reach while driving authentic consumer engagement with more than 170K+ creators as on March 31, 2026.

Nykaa Campaigns: From the launch of Nykaa's Brand Ambassador - Deepika Padukone with the iconic "Tum Hi Ho Nykaa" narrative, to demand generation through 'Nykaa - It's My Birthday' and 'New at Nykaa' and "Nykaa Luxe" destination marketing; and education through 'Nykaa Ingredient in Focus' and 'Dermocosmetics at Nykaa', our campaigns are designed to inspire discovery, encourage product trials and deepen category participation among consumers.

Creating Conversations that Matter

Expanding the Creator Ecosystem

At Nykaa, content and commerce work together to drive discovery and conversion. Through the Nykaa Affiliate Programme (NAP) and our partnership with YouTube Shopping, we have built India's largest creator network, comprising over 1.7 lakh beauty, fashion and lifestyle creators. Recognising the rapid rise of creators across Tier II and Tier III cities, we expanded NAP through regional events in 10 cities, attracting 10,000+ registrations and 1,500+ attendees. Our NAP Ambassadors further strengthen community engagement through exclusive brand collaborations and premium experiences. We also enhanced our in-app affiliate platform with AI-powered creator onboarding, one-click unified link generation, real-time analytics and Meta-integrated Auto DM, enabling seamless shopping journeys and higher creator-led conversions



Enhancing Discovery through Nykaa Play

We continued to evolve Nykaa Play as an interactive discovery and guided-selling platform. Through creator-led content, live commerce and immersive experiences, the platform enabled consumers to discover products in a more engaging way. Activations such as Biggest Beauty Binge, our flagship live-streaming property, further strengthened community participation and engagement. During FY2026, Nykaa Play recorded over 15 million visits.

Building Social Communities at Scale

Our social media ecosystem grew to more than 19 million followers across platforms. Through educational content, trend-led storytelling, expert advice and product-focused conversations, we continued to inform, inspire and engage consumers. As of 31 March 2026, our social presence featured over 2 million pieces of content, including posts, reels and videos.

1.7 Lakh
Creators

2 mn+
Content pieces in FY2026

1 bn+
Organic reach per month

76%
Of content consumed is creator content

66%
Of creators from Tier 2 & Tier 3 cities

Customer Connection Dashboard

India's Largest Lifestyle Creator Ecosytem

NAP NYKAA AFFILIATE PROGRAM

170K+
Affiliates and Influencers network

2 million+
Content pieces created

In-app Content and Discovery Guided Selling

NYKAA PLAY

7x
Subscriber growth

15 mn
Visits

Strengthening Engagement on Social Channels

19 million+
Social media followers

50,000+
Content pieces created

Key IPs of FY2026

NYKAA LUXE STORIES
NYKAA LUXE WEEKENDER
NYKAALAND
NYKAA K-BEAUTY FESTIVAL
NYKAA INGREDIENT IN FOCUS VITAMIN C
NYKAA FASHION EDIT
NYKAA BEST IN BEAUTY AWARDS 2026
DERMO COSMETICS AT NYKAA
The Gen Z Store
STEP by STEP WITH NYKAA
NEW AT NYKAA

Nykaaland 3.0: Celebrating beauty, Culture and Community at Scale

Nykaaland 3.0 marked the biggest edition of Nykaa's flagship beauty and lifestyle festival, bringing together consumers, creators, brands and industry experts for an immersive celebration of beauty, fashion and self-expression. The festival featured leading brands such as H&M Beauty, Dolce & Gabbana Beauty, Kylie Cosmetics, Laneige, TIRTIR, Sulwhasoo, YSL Beauty, Beauty of Joseon, Minimalist and Milk Makeup, alongside experiential brand activations and product showcases. The experience was further enriched through 12+ masterclasses led by celebrity makeup artists, expert-led sessions and live performances, creating a unique platform that blended beauty, content, entertainment and community engagement.

30,000+
Beauty enthusiasts attended

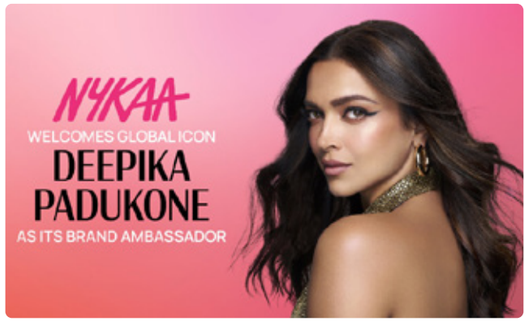
60+
Global and homegrown brands showcased



Elevating Brand Affinity with Global Icon Deepika Padukone

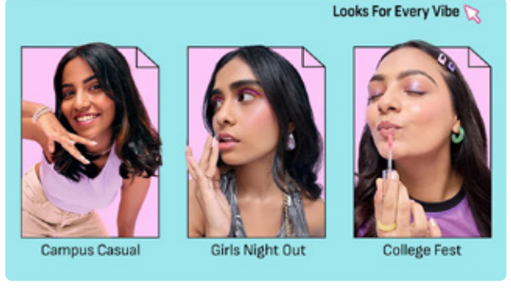
Nykaa reinforced its position as India's premier beauty and lifestyle destination by proudly welcoming global icon, entrepreneur, and mental health advocate Deepika Padukone as our brand ambassador. Embodying the spirit of the modern Indian consumer—self-assured, authentic, and global in outlook—Deepika's multi-faceted identity aligns seamlessly with Nykaa's core values.

The partnership launched with the high-impact campaign, "Nykaa X Deepika Padukone – Get Ready for You, Get Ready with Nykaa." Built on the powerful narrative that beauty is rooted in self-acceptance and authenticity, the campaign resonated deeply across demographics, garnering more than 400 million social impressions



Nykaa's New Cohort in Focus - GenZ

Nykaa Building a Key Consumer Cohort – Gen Z, on the Back of Content and Community.



Gen Z campus ambassador programme: Built a community driving peer-to-peer influence through organic content by KOLs with strong connect with Gen Z audience. The initiative saw strong traction with participation from 300+ KOLs (Key Opinion Leaders) in the beauty space generating more than 60 million social reach.



Nykaa X Snapchat – Creator incubator programme: Launched India's first beauty incubator programme on Gen Z, to create content aligned with Gen Z consumer in collaboration with 75 creators, delivering 100 mn+ views.

On-ground immersive event: Taking Nykaa to Gen Z hotspots like colleges and festivals with beauty coded experiences. In FY2026, we hosted 40+ on-ground events to take the beauty conversation directly to the new age consumer base.

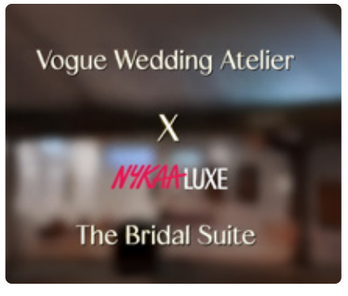
150+
Brand partners

40+
On-ground events

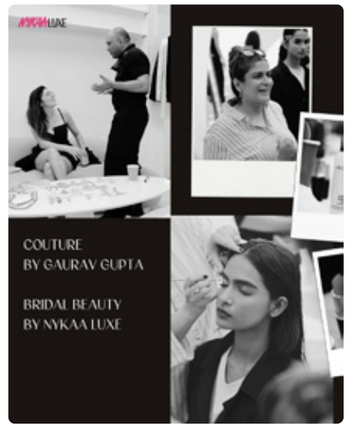
200 mn+
Social reach



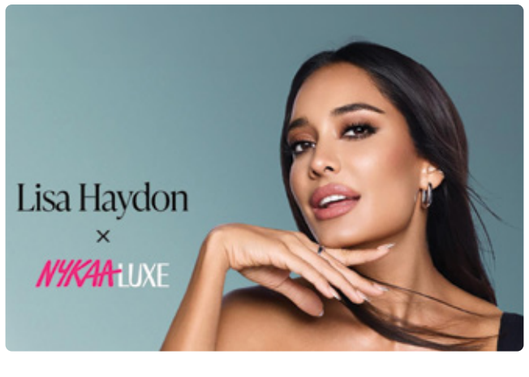
Dedicated in app Gen Z store: Improved discovery with a curated Gen Z store in app, offering assortments from 150+ trending brands



Partnered with Vogue Wedding Atelier reaffirming Nykaa Luxe as a go-to destination for Bridal Beauty in India



The Ultimate Luxury Beauty Destination: Nykaa Luxe



Nykaa Luxe X Lisa Haydon

India's No.1 destination for luxury beauty, Nykaa Luxe, Nykaa Luxe introduces its newest muse—Lisa Haydon, a global icon who embodies the effortless elegance and confidence that defines Nykaa Luxe identity Beauty took centre stage at Gaurav Gupta's Bridal Couture Show 2025, with Nykaa Luxe as official beauty partner, shaping the new language and beauty trends for the wedding season.

Distinctive Portfolio through Strategic Brand Partnerships

Our strong and enduring relationships with global and domestic brands remain central to our value proposition. Supported by a dedicated team that works closely with partners on growth, visibility, and consumer engagement initiatives, we continue to strengthen our position as a preferred platform for beauty, personal care, and fashion brands.

Leveraging deep consumer insights, data-driven merchandising, and targeted marketing capabilities, we help brands enhance discoverability, engage consumers more effectively, and drive sustainable growth. Our ability to anticipate emerging trends, curate relevant assortments, and execute brand-specific campaigns enables us to create meaningful value for both brand partners and customers.

- Beauty: Expanded our portfolio to over 4,400 brand partners, including more than **40 global brands** in India, further enriching our premium and prestige offerings.
- Fashion: Strengthened our fashion ecosystem with **~5,700 brand partners**, complemented by curated collections such as **'Hidden Gems'**, showcasing contemporary Indian designers, and 'First in Fashion', featuring the latest global and seasonal trends.



Curated Merchandising Powered by Consumer Insights

At Nykaa, our merchandising philosophy is anchored in offering the right balance between the wide range of choice and the power of curation. Guided by deep consumer insights, market intelligence, and data-driven decision-making, we continuously refine our assortment to ensure it remains relevant to evolving consumer preferences, emerging trends, and category opportunities.

Our beauty and lifestyle portfolio spans over 10,000 brands, providing customers with access to one of the most comprehensive selections across beauty, fashion, and lifestyle categories. Working closely with brand partners, we bring the latest innovations, trends, and product launches to our platform while optimising assortment quality, discoverability, and relevance.

Personalisation remains a key differentiator in the customer journey. Leveraging insights from consumer behaviour, purchase patterns, and product attributes, we have developed advanced recommendation engines, tailored landing pages, and intelligent discovery tools that enable a more intuitive, engaging, and seamless shopping experience.

We also continued to strengthen Nykaa Pro, our dedicated platform for beauty professionals and makeup artists, offering access to specialised products, exclusive benefits, educational resources, and professional development opportunities. Together, these initiatives help us build a vibrant beauty ecosystem while reinforcing our position as a trusted destination for discovery, inspiration, and expertise.

Delivering a Seamless Omnichannel Experience

We recognise that beauty discovery and purchase journeys increasingly span both digital and physical touchpoints. While online platforms offer convenience, categories such as fragrances, makeup, and premium beauty often benefit from an immersive 'touch and feel' experience. Our omnichannel strategy is designed to seamlessly integrate these experiences, enabling consumers to engage with brands and products in the manner that best suits their preferences.

As of March 31, 2026, we operated one of India's largest multi-brand specialty beauty retail networks, with 313 stores across 99 cities and a retail footprint of approximately 3.1 lakh square feet. Reflecting the growing demand beyond major urban centres, more than two-thirds of our stores are located in non-metro markets. Our retail network continued to demonstrate strong traction during the year, delivering 34% YoY GMV growth while maintaining profitability.

To serve diverse consumer needs, we have developed differentiated retail formats across value, premium, prestige, and luxury segments.

- Nykaa Flagship Stores: Experience-led stores with brand SIS, skin and hair consultation tools and beauty services
- Nykaa Luxe: Offering a curated collection of 80+ premium beauty brands to cater to discerning consumers seeking premium and luxury beauty offerings
- Nykaa On Trend: Destination for trending, D2C/ home grown & international brands
- Nykaa Perfumery: Category specific store to strengthen leadership in fragrance
- Nykaa Kiosks: Exclusive House of Nykaa outlets in high footfall retail zones
- Wanderlust Carts: Brand carts in key consumer hotspots
- Kay Kafe: A lifestyle café blending beauty, coffee and community
- Exclusive Brand EBO's: Charlotte Tilbury and Kiehl's

Beyond the point of purchase, our dedicated customer service teams ensure timely resolution of post-order queries and support requests. We continue to leverage technology and automation to streamline interactions, improve responsiveness, and deliver a seamless and efficient customer experience across touchpoints.

FY2026 was a Landmark Year of Retail Innovation and First-of-a-kind Format Launches

Nykaa Perfumery



A fragrance-first concept redefining discovery through luxury brands and personalised experiences

Kay Kafe



A first of its kind lifestyle café blending beauty, coffee and community

Exclusive Brand Boutique



Managing 11 exclusive Kiehl's stores in India and expanding the brand's retail footprint



1st flagship Charlotte Tilbury boutique in South Asia

House of Nykaa Store



A curated multi brand destination exclusively for House of Nykaa Beauty brands

Retail Footprint



C. Financial Review

C.1. Key Highlights

The business verticals primarily comprise Beauty, Fashion and Others. Beauty comprises online beauty platform, House of Nykaa - beauty brands, physical retail stores, superstore by Nykaa and Nykaa Man BPC business, Fashion comprises Nykaa fashion, House of Nykaa - fashion brands, content platform and Nykaa Man lifestyle business. Others include group's international beauty business (primarily Nysaa - Beauty omnichannel operation in GCC region). The vertical-wise breakup of GMV is as below:

GMV by Vertical

(₹ crores)

Particulars	FY2026	FY2025	YOY Change	FY2026	FY2025
Beauty	14,954	11,775	27%	74.9%	75.5%
Fashion	4,954	3,804	30%	24.8%	24.4%
Others	55	25	120%	0.3%	0.2%
Total	**19,963**	**15,604**	**28%**	**100%**	**100%**

The contribution of Beauty vertical to consolidated GMV in FY2026 was 74.9%. Fashion contributed nearly 24.8% of the consolidated GMV.

Consolidated revenue for FY2026 was ₹10,022 crores and the vertical-wise split of the same is as below:

Consolidated Revenue

(₹ crores)

Particulars	FY2026	FY2025	YoY Change	FY2026	FY2025
Beauty	9,139	7,251	26%	91.2%	91.2%
Fashion	832	675	23%	8.3%	8.5%
Others	51	24	111%	0.5%	0.3%
Total	**10,022**	**7,950**	**26%**	**100%**	**100%**

Beauty remains the most significant vertical, accounting for approximately 91.2% of the total revenues for FY2026 as well as for FY2025. It continues to be a dominant contributor to the Group's overall revenue.

On the other hand, Fashion is the emerging fast-growing vertical that have shown growth during FY2026 and is expected to experience significant expansion in the near future.

The Others category, represented by Group's International beauty business, experienced substantial growth, primarily driven by the expansion of offline and online multi-brand retail in GCC region through strategic partnership with Apparel Group.

Summary of Consolidated Financial Performance for the Year Ended March 31, 2026

Consolidated Profit and Loss Account

(₹ crores)

Particulars	FY2026	FY2025	YoY Change
Revenue from Operation	10,022	7,950	26%
Cost of goods sold	(5,506)	(4,473)	23%
Gross profit	**4,516**	**3,477**	**30%**
Employee benefits expense	(772)	(666)	16%
Other operating expenses	(2,992)	(2,337)	28%
Total Operating expenses	**(3,764)**	**(3,003)**	**25%**
EBITDA	**752**	**474**	**59%**

(₹ crores)

Particulars	FY2026	FY2025	YoY Change
Depreciation and amortisation	(320)	(266)	20%
Finance Cost	(117)	(107)	9%
Other Income	32	27	19%
Profit before exceptional item and tax	**347**	**127**	**173%**
Exceptional item	(17)	-	0%
Profit before tax	**330**	**127**	**159%**
Tax expense	(126)	(54)	133%
Consolidated Profit after Tax (PAT), including non-controlling interests	**204**	**74**	**177%**
Share in loss of associate	-	(2)	(100%)
Profit for the period	**204**	**72**	**183%**

Revenue from Operations

(₹ crores)

Particulars	FY2026	FY2025	YoY Change
Sale of Product	8,645	6,858	26%
Sale of Service	1,284	1,027	25%
Other Operating Revenue	93	65	43%
Total	**10,022**	**7,950**	**26%**

Revenue from operations comprises the sale of products and services, primarily marketing support services, marketplace services and other operating revenue such as shipping and delivery charges.

Our revenue from operations increased by 26% to ₹10,022 crores for the year ended March 31, 2026, from ₹7,950 crores for the year ended March 31, 2025. The increase can be attributed to the increase in Annual Unique Transacting Consumers, number of orders along with sustained/increased AOV across verticals.

Beauty

Increase in the number of Annual Unique Transacting Consumers from 15.8 million in FY2025 to 19.7 million in FY2026

Increase in the number of orders placed on the platform from 54.5 million in FY2025 to 65.8 million in FY2026

Increase in AOV to ₹2,068

Fashion

Increase in the number of Annual Unique Transacting Consumers from 3.2 million in FY2025 to 4.3 million in FY2026

Increase in the number of orders placed on the platform from 7.6 million in FY2025 to 10.1 million in FY2026

Increase in AOV to ₹4,652

Revenue from the sale of services increased by 25% to ₹1,284 crores in FY2026 as compared to ₹1,027 crores in FY2025. This growth was driven by a 24% increase in revenue from marketing support services and a 27% increase in income from marketplace services.

Others' operating revenue increased to ₹93 crores in FY2026 from ₹65 crores in FY2025 primarily due to growth in logistics service income by 37%.

Cost of goods sold

(₹ crores)

Particulars	FY2026	FY2025	YoY Change
Cost of material consumed	15	8	88%
Purchase of traded goods	5,718	4,683	22%
Change in finished goods and stock-in-trade	(227)	(218)	4%
Total	**5,506**	**4,473**	**23%**

Cost of goods sold increased by 23% to ₹5,506 crores in FY2026 from ₹4,473 crores in FY2025. This increase was primarily due to the higher sales of products, which we purchase from brands or their authorised distributors and manufacturing of our House of Nykaa brand products. These products are sold directly to our consumers in line with the growth in the number of orders on our platform/offline channel, driven by an increase in the number of Annual Unique Transacting Consumers.

Consequently, Gross Profit for FY2026 stands at ₹4,516 crores, reflecting a margin of 45.1%, an increase of 132 basis points (bps) supported by a strong performance from House of Nykaa beauty brand portfolio.

Employee Benefit Expenses

Employee benefit expenses for the year was 8% of revenue, a decrease of 68 bps over FY2025, reflecting the benefits of scale efficiencies. It increased to ₹772 crores for FY2026 from ₹666 crores for FY2025, primarily due to investment into store expansion and annual increment in salaries, wages and bonus.

Other Operating Expenses

Other operating expenses increased by 28% to ₹2,992 crores for FY2026 from ₹2,337 crores for FY2025, primarily due to:

Marketing and advertising expenses for FY2026 were ₹1,266 crores, compared to ₹995 crores in FY2025. As a percentage of revenue, these costs declined to 12.0%, down 12 basis points from FY2025, reflecting improved marketing efficiency. The increase in absolute spend was driven by healthy customer acquisition and improved customer funnel metrics.

Fulfillment expenses increased to ₹959 crores in FY2026 from ₹742 crores in FY2025. As a percentage of revenue, fulfillment expenses rose to 9.6%, an increase of 23 basis points over FY2025. The increase was broadly in line with revenue growth and reflected continued investments in the fulfilment network, which improved order-to-delivery (O2D) efficiencies and strengthened overall supply chain performance.

Increase in web and technology expenses and infrastructure facilities required for expansion and targeted growth over the years.

Beauty advisor expenses and selling expenses increased mainly on account of expansion of offline distribution network of owned brands.

Consequently, EBITDA for FY2026 stands at ₹752 crores, representing a 59% increase over FY2025, alongwith a margin improvement of 155 bps, primarily driven by enhanced operating efficiency. EBITDA margin for FY2026 was 7.5% vis-à-vis 6% in FY2025.

Depreciation and Amortisation

Our depreciation and amortisation expenses increased by 20% to ₹320 crores for FY2026 from ₹266 crores for FY2025, primarily due to expansion of retail stores and fulfilment centres, and capitalisation of technology projects.

Finance Cost

Our finance costs comprise interest on borrowings, lease liabilities, and other finance charges. The cost increased by 9% to ₹117 crores for FY2026 from ₹107 crores for FY2025. This increase was primarily due to expansion of retail stores and fulfilment centres.

Other Income

Other income mainly comprises interest income on security deposit, bank deposit and forex gain. The income increased by 19% to ₹32 crores for FY2026 from ₹27 crores for FY2025, majorly due to an increase in interest on bank deposits.

Profit Before Tax (PBT) and Profit After Tax (PAT)

Consolidated Profit Before Tax (PBT) for FY2026 was ₹330 crores, with a tax expense of ₹126 crores. Accordingly, consolidated Profit After Tax (PAT) stood at ₹204 crores.

Consolidated Balance Sheet

(₹ crores)

Particulars	FY2026	FY2025	YoY Change
Assets			
Property, plant and equipment, right of use assets, other intangible assets, intangible assets under development, capital work-in-progress and goodwill	1,017	872	17%
Investments	-	-	0%
Deferred tax assets (net)	269	258	4%
Non current tax assets (net)	62	64	(3%)
Inventories	1,642	1,418	16%
Cash and bank balance	320	217	47%
Other financial assets	670	614	9%
Other assets	631	537	18%
Total Assets	**4,611**	**3,980**	**16%**
Equity and liabilities			
Equity share capital	286	286	0%
Other equity	1,152	1,016	13%
Equity attributable to equity holders of the parent	**1,438**	**1,302**	**10%**
Non-controlling interest	64	41	56%
Total Equity	**1,502**	**1,343**	**12%**
Liabilities			
Borrowings	747	961	(22%)
Lease liabilities	490	359	36%
Trade payables	733	635	15%
Other financial liabilities	949	574	65%
Provisions	61	29	110%
Contract liabilities	60	38	58%
Other current liabilities	69	41	68%
Total liabilities	**3,109**	**2,637**	**18%**
Total equity and liabilities	**4,611**	**3,980**	**16%**

Assets

Total assets increased by 16% to ₹4,611 crores for FY2026 from ₹3,980 crores for FY2025. The increase was primarily attributable to:

- Increase in property, plant and equipment and right of use assets was on account of expansion of retail stores and fulfilment centres. Increase in other intangible assets was on account of capitalisation of technology projects.
- Increase in inventories and other assets (GST input credit) was primarily in line with increase in business volumes.
- Other financial assets primarily comprise security deposits, fixed deposits with banks and financial institutions, receivables from payment gateway partners, and trade receivables. The increase during the year was primarily attributable to higher business volumes.

Equity

Equity share capital increased due to the issuance of shares under the Employee Stock Option Scheme (ESOP). Other equity increased primarily as a result of profits generated during the year and securities premium received on the issuance of shares, partially offset by the fair valuation of the put option liability relating to the remaining 10% stake in Dot & Key.

Liabilities

Total liabilities increased by 18% to ₹3,109 crores in FY2026 from ₹2,637 crores in FY2025. The major contributors to this increase are:

- Borrowings decreased primarily on account of repayments funded through cash flows generated by the Company.
- Increase in lease liabilities was on account of expansion of retail stores and fulfilment centres.
- Other financial liabilities increased primarily due to the fair valuation of the put option liability relating to the remaining 10% stake in Dot & Key, along with higher accrued expenses in line with increased business volumes.
- Provisions primarily comprise gratuity, compensated absences, and litigation-related provisions. The increase during the year was mainly attributable to the impact of the Labour Code.

Cash Generation

(₹ crores)

Particulars	FY2026	FY2025	YoY Change
Net cash flows from operating activities	644	467	38%
Net cash flows (used in) investing activities	(159)	(206)	(23%)
Net cash flows (used in)/from financing activities	(433)	(212)	104%
Net increase in cash and cash equivalents	**52**	**49**	**6%**

The Group generated an operating profit of ₹795 crores in FY2026. Net working capital changes resulted in a cash outflow of ₹16 crores, while tax payments during the year amounted to ₹135 crores. Consequently, net cash generated from operating activities for FY2026 stood at ₹644 crores.

Cash generated from operating activities was primarily utilised towards capital expenditure and investments in fixed deposits. Cash flows from financing activities primarily comprised proceeds from the issuance of shares under the Employee Stock Option Scheme (ESOP), repayment of borrowings, and payments towards lease liabilities and related interest.

Consequently, the closing cash and cash equivalents as of March 31, 2026, stood at ₹177 crores, compared to the opening balance of ₹125 crores, reflecting a net increase of ₹52 crores.

Key Financial Ratios

Particulars	Units	FY2026	FY2025	YoY change (%/bps)
Return on Net Worth	%	14.3	5.6	872 bps
Return on Capital Employed	%	21.2	11.3	990 bps
Basic EPS	₹	0.7	0.2	204%
Gross Profit margin	%	45.1	43.7	132 bps
EBITDA margin	%	7.5	6.0	155 bps
Net Profit margin	%	2.0	0.9	113 bps
Current Ratio	Times	1.2	1.2	(7%)
Interest Coverage ratio	Times	6.3	4.4	42%
Inventory turnover ratio	Times	3.6	3.4	5%
Trade receivables turnover ratio	Times	37.4	32.6	15%
Trade payables turnover ratio	Times	8.4	9.2	(9%)



Return on Net Worth (RONW)

Return on Net Worth (RONW) is a measure of a company's profitability expressed as a percentage. It is calculated by dividing the net income of the company by the average shareholders' equity. RONW increased to 14.3% in FY2026 from 5.6% in FY2025. This increase was primarily due to an increase in net income.

Return on Capital Employed

Return on capital employed (ROCE) is a financial ratio that assesses a company's profitability and capital efficiency. It indicates how well a company generates profits from the capital employed. ROCE is calculated by dividing EBIT by capital employed (Net Worth + Net Debt). ROCE increased to 21.2% in FY2026 from 11.3% in FY2025 as a result of increase in earnings.

Basic EPS

Earnings per share (EPS) is calculated as a company's net profit attributable to equity holders divided by the weighted average outstanding number of equity shares. Basic EPS increased to ₹0.7 in FY2026 from ₹0.2 in FY2025 as a result of increase in earnings.

Gross Profit Margin

Gross profit margin represents the earnings from the sale of products and services after deducting the cost of goods sold (COGS), expressed as a percentage of operating revenue. In FY2026, gross profit margin rose 132 basis points to 45.1%, from 43.7% in FY2025, primarily driven by increased revenue from Owned Brands.

EBITDA Margin

EBITDA margin (before exceptional items) measures the Group's operating profit as a percentage of revenue. The margin improved by 155 basis points to 7.5% in FY2026 from 6.0% in FY2025, driven by improved gross margins resulting from the higher salience of House of Nykaa brands, coupled with scale efficiencies and productivity gains.

Net Profit Margin

Net profit margin, or net margin, measures the net income or profit generated as a percentage of revenue. It increased by 113 bps to 2% in FY2026 from 0.9% in FY2025. The increase was due to higher revenue coupled with operational efficiencies.

Current Ratio

Current ratio is a measure of the Group's liquidity position and is calculated by dividing total current assets by total current liabilities, including current borrowings. There was no material change in the current ratio in FY2026 compared with FY2025.

Interest Coverage Ratio

Interest coverage ratio measures the Group's ability to meet its interest obligations and is calculated by dividing earnings before interest, depreciation, and tax (EBITDA) by finance costs. The increase in the interest coverage ratio during FY2026 was primarily driven by stronger growth in EBITDA relative to the increase in finance costs.

Inventory Turnover Ratio

The inventory turnover ratio measures how many times a company has sold its inventory during a specific period. It is calculated by dividing the cost of goods sold by the average inventory for the same period. There was no major change in inventory turnover ratio.

Trade Receivables Turnover Ratio

The trade receivable turnover ratio quantifies a company's efficiency in collecting its trade receivables. It measures how many times a company's receivables are converted into cash during a specific period. This ratio is computed by dividing Revenue from operations by average trade receivables.

Trade Payables Turnover Ratio

The trade payable turnover ratio quantifies a company's efficiency in paying its trade payables. It measures how many times a company is paying off its creditors or suppliers during a specific period. This ratio was computed by dividing the purchases by average trade payables.

D. People and Culture at Nykaa

At Nykaa, our people power our purpose. As we continue to build India's most admired beauty and lifestyle platform, it is our unique culture and people practices that differentiate us. We view the attraction, integration, and retention of exceptional talent across our corporate offices, supply chain hubs, and expanding retail footprint as a strategic investment in our sustainable scale. Guided by an entrepreneurial mindset and a shared sense of ownership, we prioritise continuous capability building and workplace empowerment. This ensures every Nykaalite is equipped to deliver agility, operational excellence, and customer-centric innovation at scale.

Culture of Diversity, Equity, and Inclusion & Talent Retention

Diversity is intrinsic to our core identity and serves as a vital driver of innovation across our e-commerce, technology, and retail platforms. From our earliest days in beauty to becoming a beloved nationwide brand, we have proudly championed women to own their stories. Today, women comprise 43% of our overall enterprise workforce and holding 30% leadership roles. This inclusive environment is backed by progressive policy architectures governing pay parity, strict POSH compliance.

Strategic Priority: Retaining top talent is a critical priority. We focus on providing meaningful career progression paths, competitive compensation benchmarks, and an inspiring work environment that encourages employees to grow alongside the enterprise.

- **Policy architecture:** We regularly strengthen frameworks around equal pay parity, strict POSH compliance, inclusive parental leave, and equitable hiring metrics to guarantee a safe, respectful, and empowering workplace.
- **Internal mobility via 'ICON':** To support cross-functional growth, our flagship **ICON programme** identifies, nurtures, and promotes internal talent transfers across business divisions.
- **Retail talent philosophy & internal growth:** Our baseline talent philosophy prioritises internal growth over external hiring across our retail network. A significant segment of our current Area and Cluster Managers originally began their journeys with us as Store Managers.
- **Retail diversity & representation:** Women comprise the definitive majority of our retail network, representing ~57% of the overall workforce, and thrive in critical leadership roles across the business. We are dedicated to cultivating a transformative and inclusive ecosystem that supports women throughout their multi-stage career lifecycles, empowering them to lead, innovate, and succeed at every milestone of their professional evolution.

Employee advocacy, Strategic Alignment & Governance

We remain committed to co-creating our organisational culture by establishing active feedback loop ecosystems and robust, transparent grievance mechanisms. At Nykaa, we ensure that dialogue flows seamlessly from our fulfillment centres and retail storefronts directly to executive leadership, enabling agility and operational alignment across all business tiers.

Multi-Tiered Listening - To effectively capture the employee voice across all corporate and frontline demographics, Nykaa maintains a continuous feedback matrix:

- **Frontline alignment & retail connects:** We have expanded our strategic listening capabilities down to the floor via targeted "Voice of Store" feedback frameworks, recurring pulse assessments, and customised HR connect modules. This ensures retail employees across all operational levels can share strategic insights directly with senior management.
- **Leadership visibility & strategic cascading:** We institutionalise transparent dialogues via enterprise-wide One Nykaa Town Halls, Divisional Connect Sessions, and agile pulse surveys. This ecosystem is further enriched by high-impact feedback loops such as 'Coffee with the CEO' and Roundtable Discussions with the CXO. These informal engagement touchpoints are engineered to foster organic connection across our diverse workforce and empower employees to share critical perspectives on operational pillars.
- **Onboarding integration:** To optimise our talent lifecycle retention, we utilise structured new-hire feedback checkpoints mapped exactly at the 7, 30, and 90-day intervals, safeguarding the initial employee experience.
- **Ethical advocacy & grievance mechanisms:** We institutionalise transparency through our specialised 'SpeakUp' whistleblower forums, empowering employees to securely flag operational hurdles and ethical considerations.





Learning, Upskilling and Capability Building

As Nykaa scales, our commitment to institutionalising future-ready capabilities remains a foundational behaviour. Our learning approach is anchored in two clear priorities: integrating top-tier external talent to push new business horizons and empowering our internal teams to grow within their current roles.

We ensure our workforce remains directly aligned with achieving critical organisational mandates. We secure high-potential talent from premier business and graduate institutions nationwide, integrating these cohorts into critical pillars such as E-commerce, Retail, HR, and Technology. This optimised talent mix injects fresh perspectives and agility, securing a candidate pipeline engineered for cross-functional collaboration and sustainable organisational impact.

Our dedication to cultivating a high-performing organisation is realised through strategic investments in the continuous development of our workforce. By utilising structured capability academies and immersive learning modules, we ensure Nykaalites evolve in tandem with the enterprise. We champion internal mobility and exposure to complex mandates, enabling employees to refine their domain expertise and diversify their skill matrices through challenging business assignments.

A key milestone this year was our specialised Executive & Leadership Coaching programme. Delivered in partnership with an external global leadership coaching firm, this initiative helped drive positive behavioural and cultural change, translating into improved alignment, execution, and company-wide performance. Simultaneously, our flagship Nykaa Manager Programme (NMP)—delivered in partnership with external specialists—supported over 340 managers till date across the themes of managing self and managing teams, successfully building deeper connection, commitment, and a rise in team engagement scores.

For our retail field network, we deployed the PACE Career Development Programme. This structured intervention grooms high-potential internal store talent through targeted business capability modules and executive mentoring. Beyond structured leadership academies, we created multiple opportunities for self-driven learning by partnering our internal learning platform, Nykaa Academy, with Coursera. This allows employees to access over 3,000 professional courses and hands-on labs at no cost, selecting curated learning paths that align with their career goals and objectives. This year, this partnership has recorded 2,070+ active learning hours.

Our tech-driven transformation serves as a foundational behaviour, systematically shaping our organisational capabilities. We are dedicated to engineering future-ready platforms by empowering our digital and data teams to incubate, prototype, and scale sophisticated technological architectures.

Learning at Nykaa is not limited to formal settings; it is seamlessly woven into daily performance loops, team huddles, and real business challenges, averaging at ~18 hours per full-time employee—representing a strong 12.5% increase year-on-year. In our technology division, this applied learning was driven through interactive BugBash and Code'athon hackathons held in partnership with Microsoft. These high-energy competitions enabled our engineering teams to learn by solving real, complex problems in collaborative formats.

Furthermore, our extensive retail frontline workforce, who represent the face of the brand for our customers, received continuous training to ensure consistent, high-quality service and a strong brand presence. Whether deepening domain expertise or stepping into a new role, our approach reinforces one core belief: that growth is not a one-off initiative, but a shared, everyday culture.

Performance, Meritocracy and Fair Pay

Nykaa's Total Rewards philosophy is anchored in three enduring principles: fairness, meritocracy, and transparency. We believe that sustained high performance should be recognised consistently, rewarded competitively, and supported through continuous development.

- **Performance-linked rewards:** Our rewards framework maintains a strong linkage between individual performance and compensation. A balanced mix of competitive fixed pay, performance-linked variable pay, long-term incentives, and incentive programmes ensures that exceptional contributions are recognised and rewarded.
- **Market-competitive and equitable compensation:** We undertake rigorous external compensation benchmarking to ensure our pay practices remain competitive across industries and talent markets. Regular reviews also help reinforce internal equity, support gender pay parity, and strengthen our ability to attract and retain high-performing talent.
- **Continuous performance and development conversations:** Performance management at Nykaa extends beyond annual appraisals. Managers are equipped to provide ongoing coaching, feedback, and developmental guidance through structured performance check-ins throughout the year, enabling employees to continuously grow and succeed.

Benefits for Diverse Life Stages

Our benefits and policies are designed to support employees through different stages of their personal and professional journeys. From early-career employees and new parents to caregivers and those planning for long-term financial security, our offerings are tailored to address evolving life-stage and life-cycle needs.

These include parental and family-support benefits, comprehensive insurance coverage, wellness initiatives, financial protection, and programmes that help employees navigate important personal milestones with greater confidence and security.

Recognising Excellence across Every Role

Our recognition philosophy celebrates impact in all its forms. Across our ecosystem, recognition extends beyond sales and revenue outcomes to acknowledge customer experience, service excellence, dedication milestones, and behaviours that exemplify our values - reinforcing our belief that every role contributes meaningfully to Nykaa's success.

- **Chairperson's annual awards** Our highest recognition platform honours individuals and teams who have delivered exceptional business impact while exemplifying Nykaa's values, innovation, customer obsession, and collaborative spirit.
- **Culture of peer appreciation** Recognition at Nykaa is not limited to formal programmes. Through our Gratitude Cards initiative, employees are encouraged to appreciate and celebrate colleagues across functions for acts of collaboration, support, and kindness—strengthening a culture of respect, inclusion, and shared success.

Employee Well-being

Nykaa recognises that employee well-being extends beyond workplace safety and remains essential to building an engaged, productive and resilient workforce. During the year, the Company continued to strengthen its employee wellness initiatives through Wellspring, its wellness programme developed in partnership with The Wellness Corner. The programme provides employees and their immediate family members with access to preventive healthcare services, teleconsultations with medical practitioners, mental health counselling, nutritional guidance, health assessments and wellness programmes through an integrated digital platform.

To enhance access to healthcare support, the Company has partnered with a qualified medical practitioner to provide timely medical consultation and guidance to employees whenever required. First-aid facilities are available across all workplaces to ensure immediate medical assistance, while onsite wellness initiatives and counselling support further promote employees' physical and mental well-being. Together with the Wellspring platform, these initiatives reflect Nykaa's commitment to building a healthy, resilient and engaged workforce. Company provides a comprehensive Sponsored annual health check up plans for its employees.

Nykaa Gives: Embedding Collective Purpose

We translate our belief of "in giving, we receive" into on-ground societal change via our purpose-led platform. Nykaa Gives empowers our workforce to champion impactful community interventions, institutionalising social responsibility as a core organisational behaviour. This year, Nykaaites across Mumbai, Delhi, and Bangalore actively championed a suite of purpose-led social interventions. The Month of Giving was executed in collaboration with Goonj, where our employees donated over 1,900 unique items. Furthermore, our teams drove significant societal impact through distribution of more than 1,100 gifts for marginalised children via our Secret Santa framework.

To mark our 14th birthday milestone, we had a pan-India meal packaging campaign in partnership with Rise Against Hunger India. This collaborative effort unified our nationwide office hubs to deliver approximately 55,000 nutritious meals to communities in need. These engagement touchpoints

are not operational activities; they serve as a reflection of our foundational commitment to collective service and social stewardship.

Building a Culture of Trust and Distinction

Nykaa's commitment to fostering a high-performance, high-trust culture where every employee feels empowered and supported is consistently validated by external benchmarks. Our strategic investments across the talent lifecycle continue to position us as an employer of choice, a fact mirrored in our recent strong performance across key pillars of the Great Place to Work (GPTW) survey.

- **Organisation-led support & safety:** Our employee journey begins with a deeply standardised onboarding architecture designed to foster immediate alignment and a sense of belonging. Nykaalites scored the organisation exceptionally well for providing a foundational layer of physical safety, advanced tool enablement, and continuous professional progression paths.
- **Management-led strategic vision:** A key differentiator of the employee experience at Nykaa is top leadership connect and transparent communication. Our management teams were recognised by employees for their execution capability, clarity of long-term business direction, and proactive information cascaded down to frontline layers.
- **Personal impact & purpose-led work:** Nykaa's focus remains on creating a workplace that values performance and delivers exceptional customer service. This translates into an amplified sense of individual pride and meaning across our frontline and corporate cohorts, who see their roles as vital to our shared success.

Governance and compliance architecture

Our institutional commitment to regulatory excellence is anchored in a holistic framework that integrates accountability and ethical integrity into our core operational DNA. We reinforce this governance ecosystem through:

- **Institutionalised knowledge:** Strengthening enterprise-wide awareness through specialised compliance education and immersive training modules.
- **Accountability matrices:** Driving cross-functional synergy with transparently defined ownership and rigorous governance protocols.
- **Digital oversight ecosystem:** Technology tools and monitoring architectures to ensure regulatory alignment.
- **Evaluation:** Recurring impact assessments to foster a culture of agile evolution and continuous improvement.
- **Value-based stewardship:** Championing ethical decision-making and responsible corporate conduct across our diverse workforce demographics.

Compliance and Governance

As we scale our sustainable business footprint, we remain dedicated to institutionalising transparency and principled growth. Our governance framework is supported by a robust matrix of foundational policies, including:

- Corporate Code of Conduct
- Prevention of Sexual Harassment (POSH)
- Whistleblower Governance Policy
- Insider Trading Compliance
- Related Party Transactions Framework
- Health, Safety & Environment (HSE) Policy
- Anti Corruption & Anti Bribery Policy
- Data Protection Policy

This integrated architecture empowers us to maintain the highest benchmarks of corporate distinction while ensuring strict adherence to regulatory standards and industry best practices. We have partnered with one of the leading firms among the Big Four to manage whistleblower cases independently.





E. Health, Safety and Environment (HSE)

At Nykaa, the health, safety and well-being of employees, business partners, patner workforce and visitors remain integral to the way the Company operates. Guided by the Company's Health, Safety and Environment (HSE) Policy, our approach focuses on proactively identifying and mitigating workplace risks, strengthening operational resilience and fostering a culture where safety is embedded across offices, warehouses, retail stores and fulfilment operations. Through continuous investments in safety infrastructure, emergency preparedness, employee capability building and preventive risk management, the Company remains committed to maintaining safe and resilient workplaces while ensuring a safe environment for everyone accessing its facilities.

Safe Workplaces through Preventive Risk Management

The Company maintains comprehensive workplace safety infrastructure across all facilities, including smoke detectors, sprinkler systems, fire hydrants and public address systems. Fire safety compliance remains a mandatory requirement before any new workplace becomes operational.

Preventive risk management is supported through periodic HSE, fire and electrical safety audits, workplace inspections and hazard assessments that enable timely identification and mitigation of potential risks. Trained Emergency Response Teams (ERTs), comprising first-aid and fire response personnel, are deployed across warehouse locations to strengthen emergency preparedness. Regular emergency response exercises and mock drills, conducted in collaboration with certified agencies, help evaluate response readiness and reinforce business continuity.

Building Safety Awareness and Employee Participation

Nykaa continues to strengthen its safety culture through structured learning and employee participation. Every new employee undergoes HSE induction, while Patner Workforce deployed at warehouses receive dedicated safety orientation before commencing work.

During the year, the Company conducted weekly HSE awareness and training sessions across warehouses and monthly safety training programmes across Rapid stores, reinforcing consistent safety practices across its operational network. The training programmes covered critical workplace health, safety and environmental risk areas, including fire safety, electrical safety, emergency preparedness, hazard identification and risk assessment, safe material handling, ergonomics, use of personal protective equipment (PPE), incident reporting, waste management, water conservation and energy efficiency. These programmes were further supported through customised safety posters, case study discussions and periodic mock drills to encourage continuous learning and strengthen safe workplace behaviours.

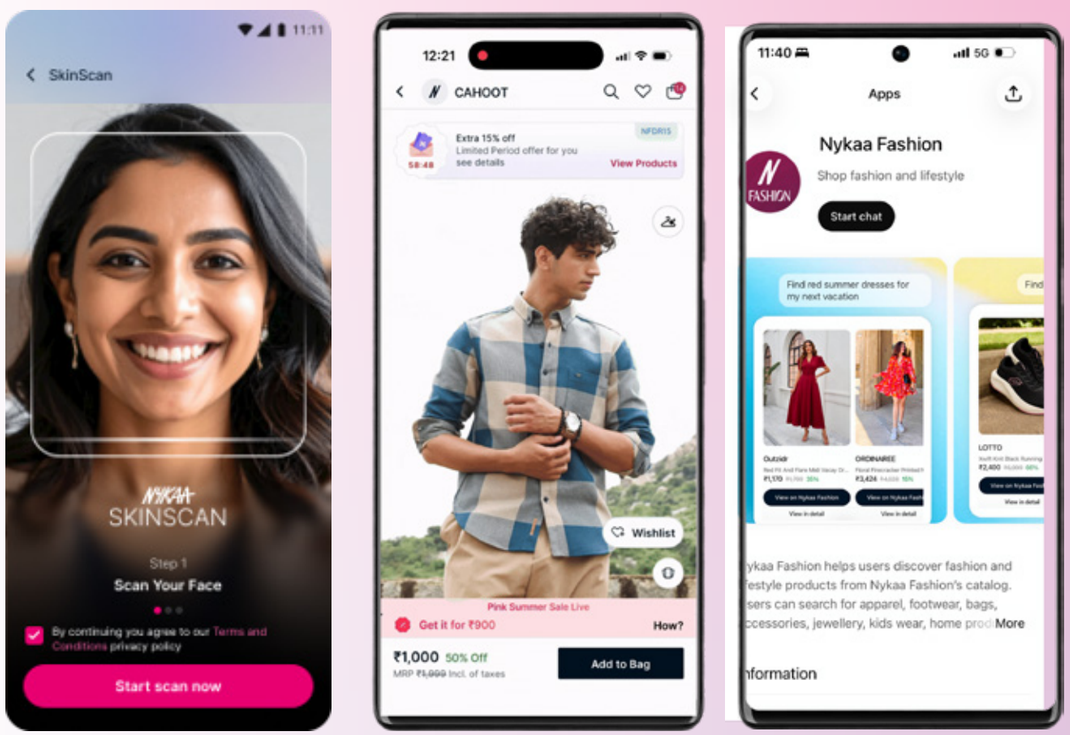
The Company has also strengthened its incident management framework through HSE Single Points of Contact (SPOCs) across all locations. Employees are encouraged to report incidents, near misses and unsafe conditions through multiple reporting channels, including QR code-enabled reporting, enabling timely investigation, implementation of corrective and preventive actions and organisational learning. Reported incidents are reviewed periodically to identify trends, strengthen preventive controls and drive continuous improvement across operations.

F. Technology

At Nykaa, technology has always been the engine of transformation—and in FY2026, that engine accelerated decisively. This was the year we completed our evolution from a digital-native to an AI-native platform, moving artificial intelligence from pilots and experiments into the daily fabric of how millions of customers discover, shop and engage with us.

Our commitment in FY2026 was to make every interaction more personal, more confident and more effortless. Across Beauty and Fashion, we launched and scaled a full suite of AI-powered experiences—conversational discovery with AskNykaa, intelligent skin analysis with Skin Scan, Virtual Try-On, our voice agent Nynaa, and the Nykaa Workbench—redefining what seamless commerce feels like. Behind the storefront, our internal AI centre of excellence, SamurAI, ensured that adoption was coordinated, purposeful and tied to measurable business outcomes. Platform reliability reached all-time highs, ISO/IEC 27001:2022 certification strengthened our security posture, and disciplined infrastructure management drove per-order costs down significantly.

Looking ahead, our ambition is to extend this compounding intelligence loop to every customer and every team. From agentic shopping companions and hyper-personalised storefronts to answer-engine optimisation and enterprise AI agents, Nykaa is building for a future where technology does not merely support commerce—it anticipates, advises and acts. Our durable advantage lies not in any single model, but in the depth of first-party data, category expertise and customer trust earned over more than a decade. That trust is what makes our AI native, and what will power sustained growth in an increasingly intelligent world.



G. Supply Chain

G.1. Supply Chain and Operational Overview

As of March 31, 2026, we operate a robust, integrated supply chain designed to support omnichannel growth across India. Our nationwide infrastructure consists of:

44 warehouses
A vast fulfillment network spanning a total capacity of 15.7 lakh square feet.

313 retail stores
Providing a strong physical retail footprint across the country.

Fulfillment and Operational Excellence

Our logistics network provides expansive reach, serving more than 19,000 pin codes and covering nearly 99% of the serviceable pin codes across India. Every order is monitored and tracked closely to guarantee timely dispatch.

Key operational pillars driving our supply chain include:

- **Intelligent Allocation:** A proprietary allocation engine optimises inventory utilisation by dynamically routing orders across our network of warehouses and Rapid stores.
- **Localised Fulfillment:** By prioritising deliveries from the nearest fulfillment centre, we significantly optimise shipment costs and inventory management.
- **Hyper-local Delivery:** In top metro cities, majority of the beauty order volumes are fulfilled by our rapid store and beauty store network.
- **Flexible Model Management:** We seamlessly operate four core business models: Inventory, Sale or Return (SOR), Curated Platform (Marketplace), and Just-in-Time (JIT) inventory. We have invested heavily in technology, people, and processes to scale these models effectively. For our Inventory and SOR frameworks, our tech stack enables completely fungible inventory across online and offline channels.
- **B2B2C Capabilities:** We have built robust B2B2C capabilities for Nykaa Fashion, allowing consumers to seamlessly access and benefit from global brands on our platform.
- **Premium Logistics:** Luxury orders are packed, handled, and tracked separately, backed by consistent communication with brands and sellers to ensure a premium customer experience.



G.1.1. Performance & Key Achievements

Building on the strengths of our supply chain tech stack, we successfully accelerated our same-day and next-day delivery capabilities in FY2026. Over 70% of beauty orders from the top 110 cities were delivered within the same or next day, while in top 10 cities 85% order delivery takes place within same or next day. Though our rapid delivery model "Nykaa Now", we serviced more than 3 million orders in the top metro cities with 30 - 120 mins.

Strategic Partnerships & Fashion Vertical Flex

Our fashion vertical relies heavily on a curated marketplace strategy. By providing a platform to market third-party vendor products, we leverage a Just-in-Time (JIT) delivery model. This eliminates inventory risk, making our supply chain highly nimble and adaptive to changing catalogue trends. This structure allows us to rapidly address consumer demands and test new categories without incurring the risks of inventory obsolescence.

To ensure efficient, reliable end-mile deliveries, we continue to collaborate with leading logistics providers, including Blue Dart Express Limited, Delhivery Limited, Shadowfax Technologies Limited, and Xpressbees Logistics Solutions Private Limited. Additionally, this year we successfully integrated Ekart and Blitz into our carrier network to further strengthen our delivery capabilities and enhance customer satisfaction.

H. Internal Control Systems and their Adequacy

The Company has established a robust internal control and Internal Financial Controls (IFC) framework that is commensurate with the nature, size and complexity of its operations. The framework is designed to ensure the orderly and efficient conduct of business, safeguarding of assets, reliability and accuracy of financial reporting, compliance with applicable laws, regulations and accounting standards, and the prevention and timely detection of fraud and errors.

The Company has complied with the requirements of Section 134(5)(e) of the Companies Act, 2013, relating to the establishment and maintenance of an adequate Internal Financial Controls framework.

The internal control framework is supported by well-defined governance structures, clearly delegated financial authorities, standard operating procedures, risk management policies, compliance monitoring mechanisms, information security protocols, management information systems, and a whistle-blower mechanism. The framework also includes periodic business plan reviews, identification and assessment of key risks, evaluation of new business proposals and capital expenditure, employee training on policies and the Code of Conduct, and continuous strengthening of internal controls.

The Company's Internal Financial Controls are embedded within business processes and are documented and periodically evaluated by management for design and operating effectiveness, with support from external consultants. The effectiveness of these controls is independently assessed by the statutory auditors as part of their annual audit.

The Internal Audit function evaluates the design and operating effectiveness of internal controls and assesses compliance with established policies and processes to enhance operational efficiency. With support from an independent internal audit firm, the Company conducts internal audit reviews in accordance with the annual Internal Audit Plan, as approved by the Audit Committee of the Board. The annual Internal Audit Plan is developed using a risk-based approach and is designed to provide appropriate coverage of key business processes, financial and operational controls, information technology systems, regulatory compliance, and other critical risk areas across the organisation.

Audit insights drive continuous improvement, enhance operational resilience, and support the Company's long-term objectives. On a quarterly basis, the Audit Committee reviews the risks emerging from internal audit reviews, the status of mitigation action plans, and the overall effectiveness of the internal control framework.

I. Enterprise Risk Management

As India's digital commerce landscape evolves, Nykaa operates in an environment shaped by changing consumer expectations, rapid technological advancements and an increasingly dynamic regulatory landscape. Managing these evolving risks is fundamental to protecting long-term value, sustaining stakeholder trust and enabling disciplined growth.

Nykaa has established an enterprise-wide risk management framework that embeds risk considerations into strategic planning, business operations and decision-making. Aligned with globally recognised frameworks, including the COSO Enterprise Risk Management Framework and ISO 31000, the framework enables the Company to balance growth opportunities with prudent risk oversight while strengthening organisational resilience.

The framework provides a structured approach to identifying, assessing, monitoring and mitigating risks across the value chain. Strategic, operational, financial, regulatory, cyber, technology and emerging risks are evaluated based on their likelihood and potential business impact. Risk mitigation plans are developed for material risks, with ongoing monitoring to assess the effectiveness of controls and ensure timely response to an evolving risk environment.

Risk Governance Framework

Risk governance is supported through clearly defined roles, responsibilities and oversight mechanisms across the organisation. Cross-functional business teams, senior leadership and the Internal Risk Steering Committee work together to identify, evaluate and monitor enterprise risks, embedding accountability throughout the organisation.

The Board, through its Risk Management Committee, provides oversight of the Enterprise Risk Management framework and periodically reviews the effectiveness of the Company's risk identification, assessment and mitigation processes, including emerging risks. The Risk Management Policy establishes the principles for consistent and integrated risk management aligned with the Company's risk appetite. Supporting this governance structure, the Head of Risk Management works closely with the Risk Management Committee and the Audit Committee to strengthen risk oversight, monitor mitigation actions and reinforce effective enterprise-wide risk management.



Risk Category: **Business Risk**

Risk Description	Key Mitigation Strategy
Macroeconomic uncertainty and shifts in consumer spending: Shifts in the global and domestic macroeconomic environment such as sustained inflationary pressures, fluctuating interest rates, weakening currency, and intensifying trade tariff disputes can hamper consumer sentiment and reduce purchasing power. In BPC, wellness and fashion space, these dynamics may alter discretionary consumption behaviour, thereby influencing our topline performance and long-term growth prospects.	Nykaa's diversified portfolio across BPC, wellness and fashion categories, spanning multiple price points, enables it to cater to a broad customer base and adapt to evolving consumer spending patterns during periods of macroeconomic uncertainty. Its balanced mix of essential and discretionary offerings enhances demand resilience across economic cycles. The Company continues to strengthen supply resilience by expanding its domestic vendor base and diversifying international sourcing across geographies, reducing dependence on import-linked procurement and mitigating concentration risk. Through robust demand forecasting, scenario planning and periodic business reviews, Nykaa proactively aligns inventory, investments and resource allocation with changing market conditions, enabling agile decision-making, optimised working capital and sustained profitability.
Rapidly evolving consumer behaviour: Digital-first, value-led Gen Z and Millennial consumers are driving a structural shift in beauty and fashion fuelling premiumisation, with rise of wellness, fragrance, and clean-beauty categories. As shoppers move seamlessly across online, social, quick commerce, and experiential retail, misjudging these shifts could weaken assortment relevance, dilute our premium mix, and erode brand equity.	Nykaa proactively responds to evolving consumer behaviour through curation, customer intelligence and differentiated experiences. Our merchandising teams curate emerging trends and continually expand the assortment across conscious beauty, international brands, wellness, fragrance and lifestyles to deepen relevance and unlock cross-sell opportunities. We stay closely connected with consumer preferences through customer surveys, consumer connects and platform behavioural signals such as bounce rate, time spent and repeat-purchase patterns. Engagement and retention are reinforced through our loyalty programme and an integrated 360-degree marketing approach delivering One Nykaa benefits across beauty and fashion. Supported by Nykaa's strong omnichannel presence across digital platforms and physical stores, and complemented by localised fulfilment capabilities, we deliver a seamless and responsive customer experience across multiple touchpoints.
Geopolitical and global supply chain disruption risk: Geopolitical instability - regional conflicts, expanding sanctions, and disruptions to commercial shipping is heightening volatility in global trade, freight, lead times, and forex. Given our dependence on imported brands and partner storefronts, this could weigh on assortment availability, landed costs, margins, launch readiness, and overall customer and financial performance.	Nykaa proactively manages geopolitical and global supply chain risks through diversified sourcing, strategic inventory planning, continuous monitoring of geopolitical developments, and close collaboration with brand partners and suppliers. The Company dynamically manages inventory level and undertakes advance procurement for critical categories and key launches to mitigate supply disruptions and lead-time volatility. To strengthen supply chain resilience, the Company continuously evaluates alternative sourcing geographies, logistics routes and transportation options, while prudently managing foreign currency exposures through appropriate hedging and pricing strategies. Regular risk assessments, scenario planning, cross-functional business continuity measures, and appropriate insurance coverage support agile decision-making, enhance operational resilience, and help ensure continuity of supply, customer experience, and business performance.

Risk Category: **Operational Risk**

Risk Description	Key Mitigation Strategy
Market relevance, customer acquisition and retention risk: The digital retail landscape continues to evolve rapidly, characterized by intensifying competition across both E-commerce and Retail beauty and personal care channels, the proliferation of customer engagement channels, changing marketing dynamics and rising customer acquisition costs. The entry of new e-commerce platforms, the expansion of established beauty retailers, and aggressive customer acquisition strategies by competitors add further pressure. Sustaining market relevance requires continuous innovation, differentiated customer experiences, effective brand positioning, and efficient customer acquisition and retention strategies across both digital and physical channels. Failure to effectively anticipate market shifts, continuously understand and adapt to evolving consumer behavioural patterns across the Total Addressable Market (TAM), strengthen customer engagement and loyalty, or optimise customer acquisition and retention economics could drive higher marketing, promotional and discounting expenses, reduce customer lifetime value, weaken brand affinity, and increase customer churn and marketing inefficiencies, adversely impacting revenue growth, profitability, operating margins, competitive positioning and long-term brand equity.	Nykaa adopts a diversified customer acquisition strategy across digital, social, content-led, mass media and offline channels, reducing reliance on any single platform while strengthening brand visibility and reach. It continuously monitors the competitive landscape and proactively implements strategic actions to address emerging market trends, competitive threats and shifting customer preferences, leveraging continuous market research, customer insights, AI-driven capabilities and advanced analytics to understand evolving consumer preferences, optimise acquisition and engagement strategies, and drive sustainable, high-intent platform traffic with efficient performance marketing spend. Customer retention is supported through personalised experiences, AI-enabled recommendations, a differentiated loyalty ecosystem and seamless omnichannel engagement across digital and physical touchpoints. Nykaa further strengthens its value proposition by onboarding new brands and categories, securing exclusive global assortments, and enhancing website/app experience, and sustains differentiation through its content-led commercial strategy, influencer ecosystem, regular customer-sentiment tracking, and industry-defining initiatives such as Best in Beauty Awards, Trendcast, Ingredient Week and Nykaaland. On the retail side, Nykaa tracks competitors' store-expansion activity through periodic competitive-intelligence reviews, prioritises high-potential catchment areas, and accelerates its New Store Opening (NSO) programme with real-estate partners to secure strategic locations ahead of competition. Alongside, the Company continues to invest in artificial intelligence, technology, data capabilities and innovation to strengthen customer engagement, enhance brand relevance, drive retention, and support sustainable, profitable growth in an increasingly competitive retail landscape.
Business continuity and operational resilience risk: Nykaa may be exposed to disruptions arising from natural disasters, public health events, technology failures, cyber incidents, utility outages, supply chain disruptions or other unforeseen events that could affect critical business operations. Such disruptions may impact the availability of digital platforms, fulfilment operations, physical stores, corporate functions and key third-party services, leading to operational interruptions, financial losses, reputational damage and regulatory implications. Failure to effectively anticipate, respond to and recover from such events could adversely affect business continuity, customer experience, stakeholder confidence and the Company's ability to achieve its strategic and financial objectives.	Nykaa has institutionalised a comprehensive Business Continuity Management (BCM) framework as an integral part of its Enterprise Risk Management programme to strengthen organisational resilience against disruptive events. The framework covers critical business functions and organisational domains, including technology infrastructure, security, human resources, administration, warehouse and logistics operations, and customer support. It incorporates business impact assessments, risk assessments, recovery strategies, crisis management protocols, and business continuity plans to enable timely response and recovery while minimising operational disruption. In addition, Nykaa conducts regular enterprise-level Disaster Recovery drills and tabletop simulation exercises to evaluate preparedness, validate response capabilities, and assess the effectiveness of recovery procedures under various risk scenarios. We have also established Recovery Point Objectives and Recovery Time Objectives for critical systems and processes, ensuring rapid recovery and minimal downtime during unforeseen events.

Risk Description	Key Mitigation Strategy
Strategic / M&A and integration risks: As part of our House of Nykaa strategy, we have undertaken strategic acquisitions including Dot & Key, Earth Rhythm, and Nudge Wellness and continue to evaluate inorganic opportunities to strengthen our portfolio across beauty, wellness and fashion-adjacent categories. Risks include slower-than-expected synergy realisation, cultural and operational integration challenges, retention of key talent in acquired businesses, any of which could affect the financial and strategic outcomes of our inorganic growth agenda.	Nykaa evaluates acquisition and investment opportunities that complement its House of Nykaa strategy and strengthen presence across beauty, personal care, wellness and fashion-adjacent categories. Investment decisions are supported by comprehensive due diligence, rigorous valuation assessments and clearly defined strategic and financial objectives. The Company follows a phased integration approach, leveraging its technology, supply chain and omnichannel capabilities to unlock synergies while preserving acquired businesses' brand identity and innovation capabilities. Cross-functional integration teams embed Nykaa's policies, systems and controls through structured roadmaps. Post-acquisition performance and governance standards are monitored through defined value-realisation metrics, leadership reviews and governance mechanisms to track synergy achievement, integration progress and business performance, supporting sustainable value creation.

Risk Category: **Legal And Compliance**

Risk Description	Key Mitigation Strategy
Evolving Regulatory and Compliance Landscape: Changes in laws governing e-commerce, consumer protection, data privacy, taxation, product standards and ESG may increase compliance obligations and operational complexity. Failure to effectively anticipate, interpret and comply with applicable regulatory requirements could result in regulatory actions, financial penalties, increased compliance costs, business disruptions, reputational damage and adverse impacts on the Company's operations, growth strategy and stakeholder confidence.	Nykaa's technology-enabled compliance governance framework supports enterprise-wide monitoring of statutory and regulatory obligations. We proactively monitor regulatory developments through continuous internal reviews and engagement with external advisors, enabling timely updates to internal policies, processes, and controls. Regular compliance awareness programs are conducted to reinforce a strong culture of integrity across the organization. Our governance is further strengthened by digital compliance tracking and monitoring tools, with quarterly certification processes overseen by the relevant function heads. Furthermore, our commitment to institutional accountability is reinforced through the voluntary external assurance of our BRSR (Business Responsibility and Sustainability Reporting) Core disclosures, demonstrating our dedication to transparency, credibility, and stakeholder trust. Third-party compliance risks are managed through rigorous contractual safeguards, periodic compliance declarations, independent audits, and ongoing oversight of critical service providers, ensuring comprehensive operational resilience.

Risk Category: **Tech and Infosec**

Risk Description	Key Mitigation Strategy
Cybersecurity and data privacy risk: Growing dependence on digital platforms, technology infrastructure and third-party ecosystems increases exposure to cyber threats such as Ransomware, data breaches and privacy risks. Failure to protect critical systems and personal data, or to comply with evolving regulations such as the Digital Personal Data Protection (DPDP) Act, 2023, may lead to operational disruption, financial losses, regulatory action, reputational damage and loss of customer trust.	Nykaa maintains a comprehensive, multi-layered cybersecurity and data privacy framework to safeguard its digital assets, customer data and critical business systems. The programme is anchored in globally recognised standards, including ISO 27001 certification and alignment with the NIST (National Institute of Standards and Technology) Cybersecurity Framework. The Company deploys advanced security controls focused on threat prevention, detection and response, complemented by voluntary independent third-party audits of critical systems to provide objective assurance and continuously strengthen its cybersecurity resilience. Its digital infrastructure incorporates advanced threat monitoring, strong access controls and third-party risk management practices to protect sensitive information and support compliance with evolving regulatory requirements, including the Digital Personal Data Protection Act (DPDPA), 2023. Nykaa further strengthens its data privacy governance through robust policies and processes covering personal data lifecycle management, purpose-driven consent management, access governance, incident response and regular employee awareness programmes. As part of its proactive alignment with the DPDPA, 2023, the Company continues to enhance its data governance practices through granular consent mechanisms and strengthened security safeguards.

Risk Description	Key Mitigation Strategy
Artificial Intelligence (AI) and Generative AI risk: A growing share of consumer discovery is migrating from traditional search to AI-driven "Ask Engines" such as Gemini and ChatGPT, where we currently enjoy category leadership in beauty. Material changes in AI platform algorithms, ranking logic, monetisation models or partnership terms could alter our organic discoverability, increase customer acquisition costs and impact traffic conversion economics over the medium term. At the same time, our progressive shift to an AI-native operating model anchored in the One Nykaa AI Platform and our Customer Cube data foundation, and reflected in customer-facing experiences such as Ask Nykaa, Virtual Closet, Skin Scan and Make-Up Virtual Try Ons (VTO) introduces internal risks around model accuracy, data privacy and dependency on third-party foundation models.	Nykaa manages AI and Generative AI risks through a comprehensive AI governance framework anchored in responsible AI principles, structured model governance and appropriate human oversight across the AI lifecycle. Recognising the paradigm shift driven by digital technologies, the Company has established a dedicated AI security and governance programme, 'AI Shield', and deployed AI-driven threat detection capabilities through 'Project Lattice' to enable resilient, secure and responsible innovation. The Company continuously monitors developments across the AI ecosystem, including changes in platform algorithms, foundation models and emerging regulations, enabling the timely adaptation of customer engagement and business strategies. AI-enabled solutions such as Ask Nykaa, Virtual Closet, Skin Scan and Make-Up VTO are subject to defined governance, testing, validation and periodic performance monitoring to promote accuracy, reliability and responsible deployment. Nykaa further strengthens its AI resilience through diversified technology partnerships, prudent third-party risk management and the continuous enhancement of AI capabilities, supporting sustainable innovation while safeguarding customer trust, regulatory compliance and long-term business performance.

Risk Category: **People risks**

Risk Description	Key Mitigation Strategy
Workforce capability and talent risk: Nykaa's sustained growth depends on attracting, developing and retaining skilled talent while building future-ready capabilities. Talent shortages or inadequate succession planning, failure to attract, retain and develop key talent, build future capabilities, or ensure effective leadership succession and employee engagement could adversely impact innovation, business execution, organisational agility, customer experience and the Company's long-term growth objectives.	Nykaa mitigates workforce capability and talent risks through an integrated talent strategy designed to build a high-performing, diverse and future-ready organisation. As we continue to scale, we are strengthening our talent advantage by retaining high-impact talent, building leadership pipelines for critical roles, and attracting experienced leaders who bring deep consumer, retail, technology and digital expertise. We are investing in the next generation of talent through structured campus programmes across business, technology and retail, to create a strong pipeline of future leaders. We are strengthening our talent management journey through enterprise-wide talent reviews, identification of critical roles and top talent, succession planning, differentiated development and greater internal mobility, enabling employees to grow with the organisation. Continuous investment in capability building, including AI, emerging technologies, retail excellence and functional skills, ensures our workforce remains equipped for evolving business needs. These efforts, supported by strategic workforce planning, employee engagement and a high-performance culture, strengthen organisational resilience, leadership continuity and the company's ability to deliver sustainable long-term growth.

Risk Category: **Financial risks/Treasury risks**

Risk Description	Key Mitigation Strategy
Foreign exchange exposure risk: Nykaa is exposed to foreign exchange fluctuations arising from the import of global beauty and fashion brands. Volatility in exchange rates may increase procurement and operating costs, affect the landed cost of imported products, and influence pricing decisions and gross margins. Prolonged or significant adverse currency movements could impact profitability, cash flows, competitiveness of the Company's premium product portfolio and overall financial performance.	Nykaa manages foreign exchange risk through a policy that provides a structured framework for identifying, monitoring and mitigating foreign currency exposure risk. The Company prudently hedges foreign currency transactions using appropriate financial instruments, aligned with the nature and duration of the underlying exposures, to reduce the impact of exchange rate volatility on cash flows and profitability. Foreign exchange exposures are regularly monitored through established treasury governance processes, with periodic management and Audit Committee oversight to ensure compliance with policies and timely risk mitigation. The Company also continuously reviews its sourcing and pricing strategies to enhance resilience against currency fluctuations.

BOARD'S REPORT

Dear Member(s),

Your Board of Directors **("Board")** is pleased to present the Fourteenth (14th) Board's Report of FSN E-Commerce Ventures Limited ("**Your Company**" or "**the Company**" or "**Nykaa**") together with the Audited Financial Statements of the Company, for the financial year ended March 31, 2026 ("**the year under review**" or "**the year**" or "**FY 2025-26**").

FINANCIAL PERFORMANCE – AN OVERVIEW

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	356.51	419.95	10,022.35	7,949.82
Other Income	189.33	157.33	32.77	27.26
Total Income	**545.84**	**577.28**	**10,055.12**	**7,977.08**
Total Expenditure	430.78	479.99	9,707.49	7,849.63
Exceptional Item	2.13	–	17.40	–
Profit before Tax after exceptional item	**112.93**	**97.29**	**330.23**	**127.45**
Current Tax	17.23	16.80	137.49	41.50
Deferred Tax (Credit)/Expenses	7.84	(16.87)	(11.20)	12.25
Profit after Tax	**87.86**	**97.36**	**203.94**	**73.70**
Share in loss of associate	–	–	–	(1.63)
Profit for the period	**87.86**	**97.36**	**203.94**	**72.07**
Other Comprehensive Income / Loss (OCI)	**0.07**	**(0.95)**	**5.20**	**(4.31)**
Total Comprehensive Income	**87.93**	**96.41**	**209.14**	**67.76**
Balance in the Profit/(Loss) Account in the Balance Sheet	434.65	345.13	255.81	48.46

REVIEW OF OPERATIONS

During the year under review, the Standalone income of your Company stood at ₹ 545.84 crore as compared to ₹ 577.28 crore in the previous year, registering a correction of 5.45%. The Standalone profit after tax for the year stood at ₹ 87.86 crore as compared to ₹ 97.36 crore in the previous year registering a correction of 9.75%.

During the year under review, the Consolidated income of the Group increased to ₹ 10,055.12 crore compared to ₹ 7,977.08 crore in the previous year, registering growth of 26.05%. The Consolidated profit for the period for the Group was ₹ 203.94 crore as compared to ₹ 72.07 crore in the previous year registering an increase of 182.97 %.

The operating and financial performance of your Company has been covered in the Management Discussion and Analysis Report which forms part of the Board's Report.

DETAILS OF MATERIAL CHANGES AND COMMITMENTS FROM THE END OF THE FINANCIAL YEAR

There were no material changes and commitments affecting the financial position of your Company, which have occurred between end of the FY 2025-26 and the date of this report.

RESERVES

Your Board has decided to retain the entire amount of profit for FY 2025-26 in the statement of profit and loss.

DIVIDEND

Your Board has not recommended any Dividend on the Equity Shares of the Company for financial year ended March 31, 2026.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**"), your Company has formulated a Dividend Distribution Policy ("Policy"), with an objective to provide the dividend distribution framework to the stakeholders of the Company. The policy sets out various internal and external factors / parameters, which shall be considered by the Board in determining the dividend pay-out. The policy is available on the website of the Company at Dividend Distribution Policy.

SHARE CAPITAL

The details of changes in paid-up equity share capital during the year under review, are as under:

#	Paid-up Equity Share Capital	₹ in Crore
A	At the beginning of the year, i.e., as on April 01, 2025	285.93
B	Allotments made pursuant to exercise of vested stock options under the various employee stock option schemes of the Company	0.40
C	At the end of the year, i.e., as on March 31, 2026 (C=A+B)	286.33

STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS

The Audited Standalone and Consolidated Financial Statements of the Company, for the financial year ended March 31, 2026, are prepared, in accordance with the requirements of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with relevant Rules and other accounting principles. The Consolidated Financial Statement has been prepared based on the financial statements received from subsidiaries, as approved by their respective Board of Directors.

STRATEGIC INITIATIVES DURING THE YEAR UNDER REVIEW AND TILL THE DATE OF THIS REPORT

Your Company strives to create and enhance the value for its stakeholders through synergising and optimising its business operations and thus, in line with your Company's value of **'Be Better Everyday'**, the following strategic initiatives were taken during the year under review:

A. DEMERGER OF E-B2B BUSINESS FROM FSN DISTRIBUTION LIMITED TO NYKAA E-RETAIL LIMITED

Your Board, at its Meeting held on February 06, 2024, approved a Scheme of Arrangement between FSN Distribution Limited and Nykaa E-Retail Limited, wholly-owned subsidiaries of the Company, and their respective shareholders and creditors ("Scheme").

Nykaa E-Retail Limited primarily has an inventory led business model of selling beauty and personal care products of its own brands as well as third party brands through online channels i.e., its own online platforms and websites. FSN Distribution Limited has a B2B inventory led business model of selling beauty and personal care products through its distribution networks using online as well as offline sales channels. The Scheme comprised of demerger of online B2B beauty business from FSN Distribution Limited to Nykaa E-Retail Limited. Post demerger, residual business of offline B2B business i.e. general / modern trade business continued in FSN Distribution Limited.

This demerger facilitated synergy in operations such as effective utilisation of warehouse and office space, synergy in technology cost and overheads. It further results in consolidation of online beauty business under one entity, leading to reduction in compliances and intercompany transactions and improved customer experience.

The Hon'ble National Company Law Tribunal, Mumbai approved the scheme of arrangement vide its order dated May 09, 2025. The Appointed date for the Scheme of Arrangement was April 01, 2024, and the Scheme had been operationalised with effect from May 29, 2025.

Pursuant to the Scheme, 10,000 Equity Shares of ₹ 10/- each (fully paid up) of Nykaa E-Retail Limited have been issued and allotted to the Company.

B. AMALGAMATION OF ILUMINAR MEDIA LIMITED WITH NYKAA FASHION LIMITED

Your Board, at its Meeting held on May 22, 2024, approved the Scheme of Amalgamation of Iluminar Media Limited with Nykaa Fashion Limited.

Iluminar Media Limited ("Transferor Company"), inter alia, had been engaged in the business of digital media marketing and advertising services on online portal. The Transferor Company is a wholly-owned subsidiary of Nykaa Fashion Limited. Nykaa Fashion Limited is engaged in the business of selling and distribution of fashion garments and fashion accessories through online channels i.e., its online platforms or websites, other online applications and retail outlets, general trade and modern trade. Nykaa Fashion Limited is a wholly-owned subsidiary of the Company.

The Scheme resulted in streamlining the corporate structure and consolidation of assets and liabilities, drove synergies in technology, infrastructure and collaboration with all the stakeholders of the companies, facilitated more efficient utilisation of capital for enhanced development and growth of the consolidated business in one entity, and allows easier implementation of corporate actions through simplified compliance structure, cost savings through legal entity rationalisation and consolidation of support functions & business processes, elimination of duplicate expenses, and also improved management oversight.

The Hon'ble National Company Law Tribunal, Mumbai approved the Scheme vide its order dated May 27, 2025. The Appointed date for the Scheme of Amalgamation was April 01, 2024, and the Scheme has been operationalised with effect from May 29, 2025.

As the Scheme of Amalgamation is between Nykaa Fashion Limited with its wholly-owned subsidiary company – Iluminar Media Limited, there has not been any issuance of shares pursuant to the Scheme. Post the Scheme becoming effective (i.e., from May 29, 2025), Iluminar Media Limited stood dissolved and ceased to exist as a separate legal entity.

C. INCREASED STAKE IN DOT & KEY WELLNESS LIMITED

During the year, the Company further acquired 3,163 Equity Shares on March 30, 2026. Accordingly, the Company holds 90.06% of Equity Shares in Dot & Key Wellness Limited.

D. INCREASED STAKE IN EARTH RHYTHM PRIVATE LIMITED

Your Board, at its Meeting held on August 13, 2024 approved entering into Share Subscription & Shareholders' Agreement ("SSHA") and Share Purchase Agreement ("SPA") with Earth Rhythm Private Limited ("Earth Rhythm") to acquire its issued and paid-up share capital by way of subscription and/or purchase of Compulsory Convertible Cumulative Preference Shares and/ or Optionally Cumulative Redeemable Preference Shares and Share Warrants, through primary as well

as secondary issuances. Post completion of the secondary subscription / second tranche, during the year under review, your Company holds ~75.83% of the issued and paid-up share capital of Earth Rhythm on a converted basis, in accordance with the terms and conditions of the above-mentioned SSHA and SPA.

E. ACQUISITION OF REMAINING 40% STAKE IN NUDGE WELLNESS PRIVATE LIMITED

Your Board, at its Meeting held on August 12, 2025 approved the acquisition of remaining 40% Equity stake in Nudge Wellness Private Limited ("Nudge"), a subsidiary of the Company from Onesto Labs Private Limited ("Onesto").

Pursuant to the Share Purchase Agreement ("SPA") and other transaction documents executed between the parties, the Company acquired the remaining 40% stake, comprising 24,00,100 equity shares of face value ₹ 10/- each, from Onesto for a total consideration of ₹ 14.26 Lakhs through an off-market transaction. Consequent to this acquisition, Nudge has become a wholly-owned subsidiary of the Company.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

As on March 31, 2026, the Company continues to have eleven direct subsidiaries and ten step-down subsidiaries.

Pursuant to the provisions of Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014 and in accordance with applicable accounting standards, a statement containing the salient features of financial statements of your Company's subsidiaries in Form No. AOC-1 is annexed as '**Annexure - I'** to this Report.

In accordance with the provisions of Section 136 of the Act and the amendments thereto, and the Listing Regulations, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and financial statements of your Company's subsidiaries have been placed on the website of your Company at Nykaa Investor Relations.

Your Company has formulated a Policy for determining Material Subsidiaries pursuant to the Listing Regulations. The said policy is available on the website of the Company at Policy for determining Material Subsidiary.

During the year under review, Nykaa E-Retail Limited and FSN Brands Marketing Private Limited were material subsidiaries of the Company as per Regulation 16 of the Listing Regulations and Nykaa E-Retail Limited was material subsidiary of the Company pursuant to Regulation 24 of the Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, pursuant to Regulation 34 and Schedule V of the Listing Regulations, is presented in a separate section, forming a part of the Integrated Annual Report.

INTEGRATED ANNUAL REPORT

In compliance with the SEBI circular dated February 06, 2017, your Company has voluntarily published the Integrated Annual Report, which includes both financial and non-financial information and is based on the International Integrated Reporting Framework. This report covers aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the seven forms of capitals viz. financial capital, manufactured capital, intellectual capital, human capital, social & relationship capital, digital capital and natural capital.

An Integrated Report provides investors and stakeholders with a complete view of the Company's performance and future outlook. Widely recognized as the next generation of corporate reporting, your Board acknowledges its responsibility for the integrity and accuracy of this report.

CORPORATE GOVERNANCE

Your Company embeds sound Corporate Governance practices and constantly strives to adopt emerging best practices. It has always been the Company's endeavour to excel through better Corporate Governance along with fair and transparent practices. A Report on Corporate Governance forms part of this Report as **'Annexure – II'.**

M/s. S. N. Ananthasubramanian & Co., Company Secretaries, (Firm Registration No. P1991MH040400), the Secretarial Auditors of the Company vide their certificate dated May 21, 2026 have confirmed that the Company is compliant with the conditions stipulated in Chapter IV of the Listing Regulations. The said certificate is annexed as **'Annexure – III'** to this Report.

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2026 in Form MGT–7, in accordance with Section 92(3) and Section 134(3)(a) of the Act, as amended from time to time and the Companies (Management and Administration) Rules, 2014, has been uploaded on the website of the Company at Annual Report and Returns.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Act, with respect to Directors' Responsibility Statement, the Directors of the Company confirm that:

(a) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards had been followed and there are no material departures from the same;

(b) they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profits of the Company for the year ended on that date;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they had prepared the annual accounts on a going concern basis;

(e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND THEIR REPORT

(i) Statutory Auditors

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004), were re-appointed as Statutory Auditors of the Company at the 9th AGM of the Company held on September 29, 2021 to hold office till the conclusion of the 14th AGM to be held for the FY 2025-26.

In terms of Section 139 and 141 of the Act and relevant Rules prescribed thereunder, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants have confirmed that they are not disqualified from acting as Auditors of the Company. The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

The statutory auditors have expressed an unmodified opinion on the standalone and consolidated financial statements. They have, however, reported certain matters relating to audit-trail functionality under Rule 11(g) and certain observations under CARO, as set out in their reports.

(ii) Secretarial Auditors

In compliance with Regulation 24A of the Listing Regulations and Section 204 of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Members at their 13th Annual General Meeting of the Company, approved the appointment of M/s. S. N. Ananthasubramanian & Co., Practising Company Secretaries, a peer reviewed firm (Firm Registration No. P1991MH040400) as Secretarial Auditors of the Company for a term of five consecutive financial years commencing from FY 2025-26 till FY 2029-30.

Further, in compliance of Regulation 24A of the Listing Regulations, Company's unlisted material subsidiaries also undergo Secretarial Audit and the Secretarial Audit Reports of the Company and its unlisted material subsidiaries thereto, in the prescribed Form No. MR-3, have been attached as **'Annexure – IV, IV(A) and (B)'** forming part of this Report. The Secretarial Auditors' Reports of the Company and the Material Subsidiaries do not contain any qualification, reservation, adverse remark or disclaimer.

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited (formerly "Link Intime India Private Limited") is the Registrar and Share Transfer Agent ("RTA") of the Company.

DISCLOSURES IN TERMS OF THE PROVISIONS OF THE ACT & THE LISTING REGULATIONS

A. Board of Directors

(i) Number of meetings

The Board met 6 (Six) times during the year under review. The details of such meetings are disclosed in the Corporate Governance Report forming part of this Integrated Annual Report. The maximum interval between any two meetings did not exceed 120 days.

(ii) Directors retiring by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Sanjay Nayar (DIN: 00002615), Non-Executive (Non-Independent) Director and Mr. Milan Khakhar (DIN: 00394065), Non-Executive (Non-Independent) Director, are due to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended their re-appointment.

Resolutions seeking their re-appointment along-with their brief profiles and other details as required under Regulation 36(3) of the Listing Regulations forms part of the Notice convening the fourteenth (14th) Annual General Meeting.

(iii) Board evaluation

In sync with Nykaa's value of **"Be Better Everyday"**, the Nomination and Remuneration Committee alongwith the Board of Directors, reviewed the Board evaluation framework and process for the FY 2025-26 to further strengthen the criteria, parameters and sharpness of rating/feedback for Board, its Committee(s) and its individual Director(s).

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter alia, the criteria for performance evaluation of the entire Board of the Company, its Committee(s) and its individual Director(s), including Independent Director(s). The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, in accordance with the compliance requirements.

The annual performance evaluation of the Board, its Committee(s) and each Director has been carried out for the FY 2025-26 in accordance with the framework. The details of evaluation process of the Board, its Committee(s) and its individual Director(s), including Independent Director(s) have been provided under the Corporate Governance Report which forms part of this Report.

The Policy on Board of Directors' Evaluation Framework can be accessed at: Board of Director's Evaluation Framework.

(iv) Declaration of independence

The Company has received necessary declaration from each Independent Director of the Company stating that:

(i) they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations; and

(ii) as required vide Rule 6(1) & (2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, they have registered their names in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

Based on the declarations received from the Directors, the Board confirms that there has been no change in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board, the Independent Directors are competent, experienced, proficient and possess necessary expertise and integrity to discharge their duties and functions as Independent Directors.

(v) Familiarisation programme for Independent Directors

Disclosure pertaining to familiarisation programme for Independent Directors is provided in the Corporate Governance Report forming part of this Integrated Annual Report.

B. Committees of the Board

The Board has constituted various statutory committees as mandated by the Act and the Listing Regulations, viz.

i. Audit Committee;

ii. Nomination and Remuneration Committee;

iii. Stakeholders' Relationship Committee;

iv. Risk Management Committee;

v. Corporate Social Responsibility & Environmental, Social and Governance Committee.

In addition to the above-mentioned committees, the Board has also constituted Fundraise and Investment Committee. Further, the Board has constituted Governance Committee for Those Charged With Governance (constituted by the Board of Directors of the Company at their Meeting held on May 15, 2026 i.e., subsequent to the end of FY 2025-26).

During the year, all recommendations of the Committees operating during FY 2025-26 were approved by the Board. Details of all the Statutory Committees, along with their charters, composition and meetings held during the year, are provided in the Corporate Governance Report forming part of this Integrated Annual Report.

C. Directors and Key Managerial Personnel

During the year under review, following were the changes in Directors and Key Managerial Personnel:

1. Based on recommendations of the NRC and the Board, Mr. Dipak Gupta (DIN: 00004771) was appointed as an Independent Director of the Company, for the first term of 5 (Five) consecutive years commencing from October 01, 2025 vide Special Resolution passed by the Member(s) of the Company through Postal Ballot on December 26, 2025.

2. Based on recommendations of the NRC and the Board, Ms. Falguni Nayar (DIN: 00003633) was re-appointed as an Executive Chairperson, Managing Director & Chief Executive Officer of the Company for a term of 5 (Five) years with effect from February 12, 2026, vide Ordinary Resolution passed by the Member(s) of the Company through Postal Ballot on January 28, 2026.

3. Mr. Neelabja Chakrabarty (Membership Number: A16075) ceased to be the Company Secretary, Compliance Officer and a Key Managerial Personnel of the Company with effect from closing of business hours on September 30, 2025.

4. Based on recommendations of the NRC and the Board, Dr. Chetan Sharma (Membership Number: F8352) was appointed as the Company Secretary, Compliance Officer and a Key Managerial Personnel of the Company with effect from November 26, 2025.

After the end of the year and up to the date of the Report, below were the changes in Directors and Key Managerial Personnel, as recommended by the NRC and Board of Director(s) of the Company, subject to the approval of the Member(s) of the Company through Postal Ballot:

1. Re-appointment of Ms. Adwaita Nayar (DIN: 07931382) as Whole-Time Director designated as Executive Director of the Company for a term of 5 consecutive years with effect from July 01, 2026.

2. Approval of payment of remuneration to Ms. Adwaita Nayar (DIN: 07931382) as the Whole-Time Director designated as Executive Director of Company for a term of 5 years

3. Re-appointment of Mr. Anchit Nayar (DIN: 08351358) as Whole-Time Director designated as Executive Director of the Company for a term of 5 consecutive years with effect from July 01, 2026.

4. Approval of payment of remuneration to Mr. Anchit Nayar (DIN: 08351358) as the Whole-Time Director designated as Executive Director of the Company for a term of 5 years

5. Re-appointment of Ms. Anita Ramachandran (DIN: 00118188) as an Independent Director for a second term of 5 consecutive years with effect from July 15, 2026 and approval for continuation after attaining the age of 75 years.

6. Re-appointment of Mr. Milind Sarwate (DIN: 00109854) as an Independent Director for a

second term of 5 consecutive years with effect from July 15, 2026.

In accordance with the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company as on March 31, 2026:

(a) Ms. Falguni Nayar – Executive Chairperson, Managing Director and Chief Executive Officer.

(b) Ms. Adwaita Nayar – Whole-Time Director designated as Executive Director of the Company.

(c) Mr. Anchit Nayar – Whole-Time Director designated as Executive Director of the Company.

(d) Mr. P. Ganesh – Chief Financial Officer.

(e) Dr. Chetan Sharma - Company Secretary & Compliance Officer (with effect from November 26, 2025).

None of the Company's Directors are disqualified from being appointed or continuing as a Director as specified in Section 164 of the Act. All Directors have further confirmed that they are not debarred from holding the office of a Director under any order from SEBI or any other authority.

During the year under review, the Non-Executive Directors (including Independent Directors) of the Company had no pecuniary relationship or transactions with the Company, other than receipt of sitting fees, commission, reimbursement of expenses incurred by them for the purpose of attending meetings of the Board and its Committees or other Company events and any other transactions as approved by the Audit Committee or the Board which have been disclosed under the Notes to Accounts. For more details about such transactions, please refer to the Corporate Governance Report.

D. Remuneration of Directors and Employees

Disclosure comprising particulars with respect to the remuneration of Directors and employees and other details, as required in terms of the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **'Annexure - V'** to this Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Pursuant to the provisions of the second proviso to Section 136(1) of the Act, the Integrated Annual Report, excluding the aforesaid information, is being sent to the Members of the Company. Any Member interested in obtaining such information may write to the Company Secretary at nykaacompanysecretary@nykaa.com.

Your Company has adopted "Remuneration Policy for Directors, Key Managerial Personnel and other Employees" which sets out criteria for the remuneration for Directors and Key Managerial Personal and the same can be accessed at: Remuneration Policy for Directors, Key Managerial Personnel and Other Employees.

E. Vigil Mechanism/Whistle-Blower

Your Company is committed to highest standards of business ethics and integrity and ensuring compliance to applicable laws. Your Company continues to believe in conducting its affairs in a fair and transparent manner by adopting highest standards of honesty, integrity, professionalism and ethical behaviour. Your Company has established a Vigil Mechanism/ Whistle-Blower Policy in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations with a view to provide a platform and mechanism for Employees, Directors and other stakeholders of the Company to report actual or suspected unethical behaviour, fraud or violation of the Company's Code of Conduct, ethics, principles and matters specified in the policy without any fear of retaliation, and also provides for direct access to the Chairman of the Audit Committee as the case may be, in exceptional cases. Your Company is committed to developing a culture where it is safe for all persons covered under the Code and enables access to raise concerns without any fear of retaliation regarding potential violation.

Employees and other stakeholders are encouraged to report actual or suspected concerns or violations of applicable laws and regulations and the Code of Conduct. Such genuine concerns or violations are called "Protected Disclosures" which can be raised by a Whistle-Blower to "Speak-up Helpline" (an external independent agency or agencies appointed by the Company to receive and attend to the Protected Disclosures through toll-free number / e-mail / web portal), established in terms of the Policy.

Your Company affirms compliance with the Whistle-Blower Policy/Vigil Mechanism. All Employees and Directors have access to the Chairman of the Audit Committee in appropriate and exceptional circumstances and it is affirmed that no person has been denied access to the Chairperson of the Audit Committee.

The policy is available on the Company's website and can be accessed at: Whistle-Blower Policy/ Vigil Mechanism.

F. Corporate Social Responsibility ("CSR")

A brief outline of the CSR Philosophy, salient features of the CSR Policy of the Company, the CSR initiatives undertaken during the financial year 2025-26 together with progress thereon and the report on CSR activities in the prescribed format, as required under Section 134(3)(o) read with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in **'Annexure – VI'** to

this Report and the CSR Policy can be accessed on the website of the Company at CSR Policy.

G. Employee Stock Option Scheme and Share Based Employee Benefits

Your Company grants employee stock options that would enable the employees to share the value they create for the Company in the years to come. Accordingly, pursuant to the approval of Board and Members of the Company and in terms of the provisions of applicable laws, your Company has formulated Employees Stock Options Scheme – 2012 ("ESOS 2012"), FSN Employees Stock Scheme – 2017 ("ESOS 2017"), FSN E- Commerce Ventures Limited – Employee Stock Option Plan 2022" ("ESOP 2022") and FSN E-Commerce Ventures Limited – Employee Stock Unit Plan 2022 ("RSU Scheme") for grant of stock options to eligible employees.

The Nomination and Remuneration Committee of the Company, inter alia, administers and monitors the ESOS & RSU Schemes, in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations"). During the year under review, there was no material change in the ESOS & RSU Schemes, and they have been in compliance with the provisions of SBEB Regulations and other applicable provisions of law.

The applicable disclosures as stipulated under Regulation 14 of SBEB Regulations with regard to the ESOP & RSU Schemes of the Company are available on the website of the Company at Annual Reports and Returns.

A certificate from M/s. S. N. Ananthasubramanian & Co., Company Secretaries, the Secretarial Auditor of the Company, confirming that the aforesaid ESOP & RSU Schemes have been implemented in accordance with the SBEB Regulations, will be open for inspection at the ensuing Annual General Meeting.

H. Investor Education and Protection Fund ("IEPF")

Since the Company has not declared any dividend since its incorporation, there are no unpaid or unclaimed amounts that are required to be transferred to the IEPF under the provisions of the Companies Act, 2013 and the Rules made thereunder.

I. Related Party Transactions

During the year under review, all transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions and the Related Party Framework, formulated and adopted by the Company. Prior omnibus approval is obtained for transactions which are of a repetitive nature and are in the Ordinary Course of business and at arm's length pricing.

All contracts/arrangements/transactions entered by the Company during the year under review with related parties were in the Ordinary Course of business and on arm's length pricing. During the year under review, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Policy of the Company, the Act and the Listing Regulations or which are required to be reported in Form AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Accordingly, Form AOC-2 has not been annexed to this report.

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the website of the Company at Related Party Transaction Policy.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in the Standalone Financial Statement of the Company. Your Company, in terms of Regulation 23 of the Listing Regulations submits, within the stipulated time, disclosures of related party transactions, in the specified format to the stock exchanges. The said disclosures can be accessed on the website of the Company at RPT Disclosure.

J. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Considering the nature of business of your Company, the particulars with respect to conservation of energy and technology absorption as required pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

The foreign exchange earnings and outgo are as below:

(₹ In Crore)

Particulars	2025-26	2024-25
Earnings in Foreign Exchange	Nil	Nil
Expenditure in Foreign Exchange	24.22	35.76

K. Risk Management

Your Company has a risk management framework which proactively identifies, assess and mitigates risks, supporting decision making across various levels of the Company.

To effectively mitigate risks that impact our strategic business objectives, we have employed an Enterprise-wide Risk Management framework ('ERM') by adapting the frameworks of COSO Enterprise Risk Management (ERM) framework 2017 and also ISO 31000 Risk Management framework, to support proactive identification, assessment, prioritisation, management and monitoring of risks that could have a material impact on the achievement of Company's business objectives, while also formulating relevant risk mitigation strategies which helps protecting our assets, and support informed decision making which will reduce the impact of any adverse events.

The Company continuously evaluates existing and emerging risks, works closely with business functions to ensure appropriate mitigation plans are in place, and monitors the effectiveness of risk responses to support the smooth and efficient conduct of business operations.

The Board of Directors of the Company has a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The Committee is responsible for reviewing the Company's risk profile, the effectiveness of mitigation measures, and emerging risks that may impact the Company's medium- and long-term strategic objectives, including risks of a reputational nature.

The Company endeavours to continually strengthen its Risk Management systems and processes in line with a rapidly changing business environment. There were no risks which in the opinion of the Board threaten the existence of the Company. Details of various risks faced by your Company are provided in the Management Discussion & Analysis Report.

Your Company has framed and implemented a Risk Management Policy in terms of the provisions of Regulation 21 of the Listing Regulations, for assessment and minimisation of risk, including identification of elements of risk, if any which may threaten the existence of the Company. The policy can be accessed at Risk Management Policy.

L. Internal Financial Control

According to Section 134(5)(e) of the Act the term Internal Financial Control ("IFC") means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information. The Act also mandates the need for an effective internal financial control system in the Company which should be adequate and shall operate effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of internal financial control with reference to the financial statements to be disclosed in the Board's report.

The Company has adequate internal financial control system over financial reporting ensuring that all transactions are authorised, recorded, and reported correctly in a timely manner in-order to provide reliable financial information and to comply with applicable accounting standards which is commensurate with the size and volume of business of the Company.

The key internal financial controls have been documented, automated wherever possible and embedded in the respective business processes. Assurance to the Board on the effectiveness of internal financial controls is obtained through 3 Lines of defence which include:

a) Management reviews and self-assessment;

b) Continuous control monitoring by functional experts; and

c) Independent design and operational testing by an external professional firm.

The Company believes that these systems provide reasonable assurance that the Company's internal financial controls are adequate and are operating effectively as intended. During the year under review, such controls were tested by the Statutory Auditors of the Company and no material weaknesses or significant deficiencies in the design or operations were observed and reported by the Statutory Auditors. Details of the internal controls system are provided in the Management Discussion & Analysis Report.

M. Policy on Directors' Appointment and Remuneration

In terms of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of your Company, on recommendation of the Nomination and Remuneration Committee of the Company, had adopted a "Remuneration Policy for Directors, Key Managerial Personnel and other employees" ("Remuneration Policy") and "Policy on Board Diversity".

The Company's Remuneration Policy is directed towards designing remuneration so as to attract, retain, and reward talent who will contribute to long-term success of the Company and build value for its shareholders. Objective of Board Diversity Policy is to ensure that the Board is fully diversified and comprises of an ideal combination of Executive(s) and Non-Executive Director(s), including Independent Director(s), with diverse backgrounds.

The salient features of the policies are outlined in the Corporate Governance Report, and the policies are made available on the Company's website, which can be accessed at Nykaa policies.

N. Particulars of Loans, Guarantees and Investments

Particulars of loans given, investments made, guarantees given and securities provided under Section 186 of Companies Act, 2013 along with the purpose for which the loan or guarantee or security provided is proposed to be utilised by the recipient has been provided in the Standalone Financial Statements.

O. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In compliance with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has adopted a Prevention of Sexual Harassment Policy for the prevention of sexual harassment and constituted Internal Complaints Committee (ICC) to deal with complaints relating to sexual harassment at workplace. For details of complaints received during the FY 2025-26, kindly refer to relevant disclosures in the Corporate

Governance Report which forms part of the Integrated Annual Report.

P. Environment & Safety

Your Company is conscious of the importance of environmentally clean and safe operations and has accordingly framed and adopted Health, Safety and Environment (HSE) Policy which can be accessed at Health, Safety and Environment Policy. The Company's policy requires conduct of operations in such a manner that it ensures safety of all concerned, compliances of environmental regulations and preservation of natural resources.

Your Company is committed to the highest standards of health, safety and environment practices within the organisation and the extended areas within our influence, with an aim to provide safe and healthy working environment to our employees, customers, business partners, suppliers and visitors.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The BRSR, including BRSR Core consisting of Key Performance Indicators and the reasonable assurance statement by TUV India Private Limited, for the year under review, as stipulated under Regulation 34(2)(f) of the Listing Regulations, describing the initiatives taken by your Company from social and governance perspective, forms an integral part of the Integrated Annual Report as **'Annexure – VII'.**

GENERAL

Your Director(s) state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events on these items during the year under review:

- There was no change in the nature of business of your Company as stipulated under Rule 8(5)(ii) of Companies (Accounts) Rules, 2014.
- Your Company has not accepted any deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.
- No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.
- No issuance of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- No fraud has been reported for your Company by the Auditors to the Audit Committee or the Board under Section 143(12) of the Act.
- There is no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the FY 2025-26.
- The Company has not made any one-time settlement for the loans taken from the Banks or Financial Institutions.
- Your Company has not issued Equity shares with differential rights as to dividend, voting or otherwise; and
- Your Company has not raised funds through preferential allotment or qualified institutions placement as per Regulation 32(7A) of the Listing Regulations.

SECRETARIAL STANDARDS

During the year under review, your Company has complied with the Secretarial Standards 1 and 2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively, issued by the Institute of the Company Secretaries of India and notified by the Ministry of Corporate Affairs, in terms of Section 118(10) of the Act.

MAINTENANCE OF COST RECORDS

Your Company is not engaged in the business of production of goods or providing of services as specified in Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 ("Rules"). Accordingly, the requirement of maintaining cost records in accordance with Section 148(1) of the Act read with the Rules is not applicable to the Company for the period under review.

MATERNITY BENEFIT

Your Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961.

ACKNOWLEDGEMENT

The Board wishes to place on record its appreciation for the assistance, co-operation and encouragement extended to the Company by its customers, business partners, brands, bankers and other stakeholders.

The Directors take this opportunity to place on record their warm appreciation for the valuable contribution, untiring efforts and spirit of dedication demonstrated by the employees and officers at all levels, in ensuring an excellent all-around operational performance. We applaud them for their superior levels of competence, solidarity, and commitment to the Company. The Directors would also like to thank the shareholders for their wholehearted support and contribution. We look forward to their continued support in future.

For and on behalf of the Board of Directors
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, Managing Director & CEO
DIN: 00003633

Place : Mumbai
Date : May 21, 2026

Annexure – I

FORM AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹ Crore)

Sr. No.	Particulars	Details										
1	Name of the subsidiaries	FSN Brands Marketing Pvt. Ltd.	Nykaa E-Retail Ltd.	Nykaa-KK Beauty Pvt. Ltd.	Nykaa Fashion Ltd.	FSN International Ltd.[1]	FSN Distribution Ltd.	Nykaa Foundation	Nykaa Essentials Private Limited	Dot & Key Wellness Ltd.	Nudge Wellness Pvt. Ltd.	Earth Rhythm Private Limited
2	The date since when the subsidiary was acquired	(since incorporation)								September 28, 2021	June 30, 2022	November 26, 2024
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	March 31, 2026										
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries											
5	Share capital	102.00	9.52	1.00	175.01	45.08	0.01	0.01	0.05	1.37	6.00	0.05
6	Reserves & surplus	(62.10)	649.81	56.76	(332.80)	(41.18)[2]	12.74	-	(0.01)	266.26	(3.18)	20.57
7	Total assets	1,230.45	2,414.64	115.84	367.16	143.98	20.56	0.02	0.04	402.75	3.34	40.60
8	Total Liabilities	1,190.55	1,755.31	58.08	524.95	140.08	7.81	0.01	0.004	135.12	0.52	19.98
9	Investments	0.00[4]	0.00[4]	-	0.16	-	0.00[4]	-	-	0.00[4]	-	-
10	Turnover	1,659.64	7,492.48	211.65	780.35	50.67	14.55	6.56[3]	-	798.59	-	23.75
11	Profit/(loss) before tax	8.91	161.26	29.20	(57.10)	(46.46)	2.93	-	(0.01)	201.83	(0.25)	(11.87)
12	Less: Provision for taxation											
	- Current Tax	10.42	45.80	9.07	-	-	-	-	-	54.98	-	-
	- Deferred Tax	(8.20)	(3.84)	(1.67)	-	0.21	0.13	-	-	(1.84)	-	-
13	Profit/(loss) after tax	6.69	119.30	21.80	(57.10)	(46.67)	2.81	-	(0.01)	148.69	(0.25)	(11.87)
14	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
15	% of shareholding	100.00%	100.00%	51.00%	100.00%	100.00%	100.00%	100.00%	100.00%	90.06%	100.00%	75.83%

[1]On consolidated basis including its international subsidiaries i.e. FSN Global FZE, Nykaa International UK Limited and Nessa International Holdings Ltd. The Company has 100% stake in FSN Global FZE and Nykaa International UK Limited and 55% stake in Nessa International Holding Ltd.

[2]includes non-controlling interest of ₹ 23.54 crore.

[3]includes donation income.

[4]Less than 0.01 crore.

PART "B": JOINT VENTURES AND ASSOCIATES

Since the Company does not have any Associate or Joint Venture as on March 31, 2026, this section is Not Applicable.

For and on behalf of the Board of Directors

FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, Managing Director & CEO
DIN: 00003633

Adwaita Nayar
Executive Director
DIN: 07931382

P. Ganesh
Chief Financial Officer

Dr. Chetan Sharma
Company Secretary and Compliance Officer
M No: F8352

Place : Mumbai
Date : May 21, 2026

Place : Mumbai
Date : May 21, 2026

REPORT ON CORPORATE GOVERNANCE

Annexure – II

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At NYKAA, we are committed to strong corporate governance that is aligned with our objective of maximizing our stakeholders' interests. We adhere to the highest standards of governance, integrity, ethics and transparency. These are driven by our values and principles, which are imbibed at all levels in the Company to ensure that we gain and retain the trust of our stakeholders. Aligning our organization around this cohesive set of values is critical to the fulfilment of our mission and achievement of our business goals.

The Company believes that any meaningful policy on Corporate Governance must empower the executive management of the Company and simultaneously create a mechanism of checks and balances which ensure that the decision-making powers vested in the executive management are used with care and responsibility and not misused.

We have a Code of Conduct ("Code") with the underlying belief of conducting business in a principled manner. It lays down our values and principles that always guide our actions to live up to our best ideals and to operate our business with the utmost integrity. We ensure that ethical conduct is embedded across our operations and we expect all our employees and external partners to follow the same. Our policies and procedures operate alongside our Code to guide our employees as they conduct their day-to-day activities. They encompass all relevant laws, regulations and promotional standards.

The Company and its Subsidiaries have a wide range of stakeholders like shareholders and investors, customers, business partners etc. and the Company recognises that these relationships make up an important portion of our overall corporate value. The Company is committed to focus on long-term value creation and protecting stakeholders' interests by applying proper care, skill and diligence to business decisions. To achieve this objective, the Company is ensuring fair and transparent decision-making and bolstering dynamic management through swift and decisive decision-making based on an effective use of the corporate resources.

In order to have a robust governance, we have a multi-tiered governance structure with defined roles and responsibilities of every constituent of the system. The Board is the apex body constituted by the shareholders to oversee the Company's overall functioning. They are responsible for providing strategic supervision, overseeing the Management performance and governance of the Company on behalf of the shareholders and other stakeholders. The Board exercises independent judgement and plays a vital role in the oversight of the Company's affairs. While the Company's day-to-day affairs are managed by a competent Management team under the overall supervision of the Board.

The Board has constituted several Committees to focus on well-defined areas of responsibility, with a mandate to make time-bound recommendations. The Company has also adopted various codes/policies towards achieving the best Corporate Governance practices which *inter alia* includes Code of Conduct for Board and Senior Management, Vigil Mechanism/ Whistle-Blower Policy, Code for Prevention of Insider Trading and Related Party Transactions Policy and endeavour to continuously contribute to social and environmental spheres through various CSR programs creating shared values.

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**") and the report contains the details of Corporate Governance systems and processes at FSN E-Commerce Ventures Limited. There are no non-compliances of any requirements of Corporate Governance Report, as per sub-paras (2) to (10) of Schedule V Part C of the Listing Regulations.

2. CODE OF CONDUCT

Your Company firmly believes that with success comes more responsibility & accountability of being a credible corporate citizen with highest standards of compliance & governance. Your Company has adopted a Code of Conduct for its Directors and Senior Management which reflects the values cherished and practiced at the Organisation. The same is hosted on the website of your Company at Code of Conduct for its Directors and Senior Management.

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct. A declaration signed by the Executive Chairperson, Managing Director and Chief Executive Officer to this effect is enclosed as **Annexure – II(A)** at the end of this Report.

3. BOARD OF DIRECTORS

The Board is at the core of the Corporate Governance system of your Company. The Board is committed towards compliance of sound principles of Corporate Governance and plays a crucial role in overseeing how the Management serves the short and long-term interests of the Members and other stakeholders. This belief is reflected in the governance practices of the Company, under which it strives to maintain an effective, informed and independent Board.

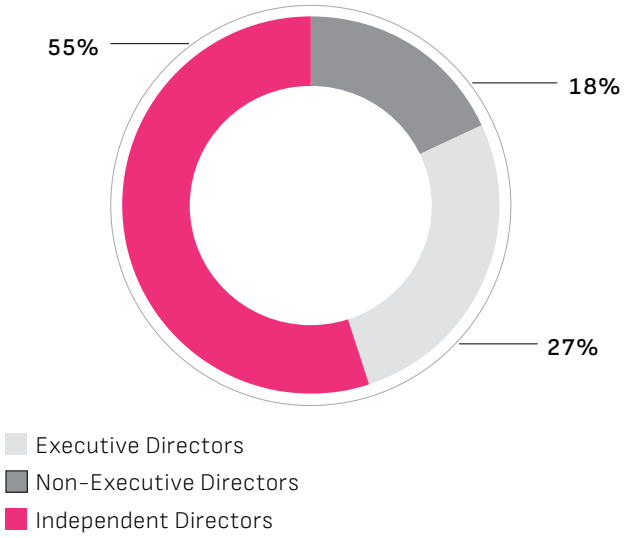
The Board's operations are duly supported by the Executive Chairperson, Managing Director and Chief Executive Officer, Executive Directors, Key Managerial Personnel ("KMPs") and the Senior Management, while discharging its fiduciary duties and in ensuring effective functioning of your Company.

An independent and well-informed Board goes a long way in protecting the stakeholders' interest. The composition of your Company's Board represents an optimal mix of professionalism, knowledge and experience that enables the Board in discharging its responsibilities and providing effective leadership and support to the business.

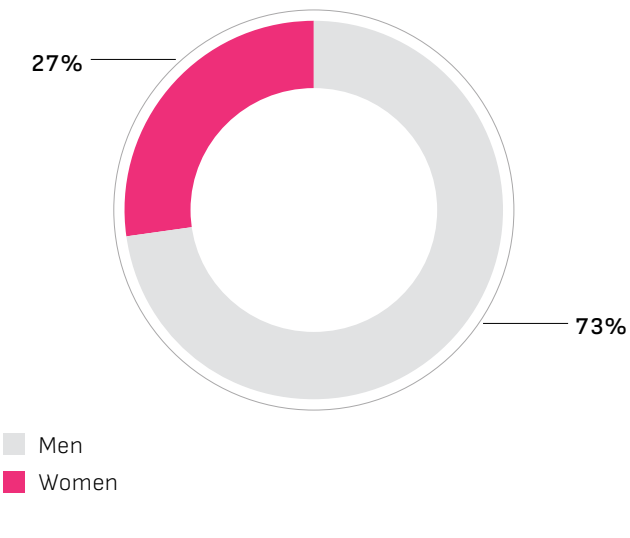
As on March 31, 2026, the Board consists of 11 Directors comprising 6 Independent Directors, 2 Non-Executive (Non-Independent) Directors and 3 Executive Directors. The composition of your Board is in conformity with Regulation 17(1) of the Listing Regulations and Section 149 of the Companies Act, 2013 ("**the Act**"). Details of appointments/re-appointments of Directors during the FY 2025-26 are provided in Board's Report.

A. Board Composition

BOARD CLASSIFICATION



BOARD GENDER DIVERSITY



The Composition and category of Directors is given in below table. The profile of Directors can be found at our website at www.nykaa.com/board-of-directors/lp

Sr. No.	Name of Directors	Category of Director	Date of first appointment on the Board	Inter-se Relationship between Directors
1.	Ms. Falguni Nayar (DIN: 00003633)	Executive Chairperson, Managing Director & Chief Executive Officer	April 24, 2012	• Spouse of Mr. Sanjay Nayar • Mother of Mr. Anchit Nayar and Ms. Adwaita Nayar
2.	Mr. Sanjay Nayar (DIN: 00002615)	Non-Executive Director	April 09, 2021	• Spouse of Ms. Falguni Nayar • Father of Mr. Anchit Nayar and Ms. Adwaita Nayar
3.	Ms. Adwaita Nayar (DIN: 07931382)	Executive Director	January 22, 2018	• Daughter of Ms. Falguni Nayar and Mr. Sanjay Nayar • Sister of Mr. Anchit Nayar
4.	Mr. Anchit Nayar (DIN: 08351358)	Executive Director	August 13, 2019	• Son of Ms. Falguni Nayar and Mr. Sanjay Nayar • Brother of Ms. Adwaita Nayar
5.	Mr. Milan Khakhar (DIN: 00394065)	Non-Executive Director	September 28, 2015	-
6.	Ms. Anita Ramachandran (DIN: 00118188)	Independent Director	July 15, 2021	-
7.	Mr. Milind Sarwate (DIN: 00109854)	Independent Director	July 15, 2021	-

Sr. No.	Name of Directors	Category of Director	Date of first appointment on the Board	Inter-se Relationship between Directors
8.	Mr. Pradeep Parameswaran (DIN: 07206780)	Independent Director	July 15, 2021	-
9.	Mr. Seshashayee Sridhara (DIN: 09247644)	Independent Director	July 26, 2021	-
10.	Mr. Santosh Desai (DIN: 01237902)	Independent Director	July 15, 2024	-
11.	Mr. Dipak Gupta (DIN: 00004771)	Independent Director	October 01, 2025	-

The composition, diversity and strength of the Board is reviewed from time to time for ensuring that the same is in line with the applicable laws and that it remains aligned with the strategy and long-term needs of the Company. The Board Diversity Policy adopted by the Board sets out its approach to diversity. The Policy is available on our website at Board Diversity Policy.

B. Matrix setting out the core skills/expertise/competence of the Board of Directors

Your Board comprises of qualified members who collectively bring in the skills, expertise and competencies stated below that allow them to make effective contribution to the Board and its Committees as required in context of its business sector and to ensure highest standards of Corporate Governance. The Directors have identified the list of core skills/ expertise/competencies as required for them to function effectively and the Board believes that Directors of the Company possess these skills/expertise/competencies, which helps the Company function effectively. While all the Board Members possess the skills identified, their respective area of core expertise is given below:

Core Area of Expertise	Falguni Nayar	Sanjay Nayar	Anchit Nayar	Adwaita Nayar	Anita Rama-chandran	Milind Sarwate	Milan Khakhar	Seshashayee Sridhara	Pradeep Parameswaran	Santosh Desai	Dipak Gupta
Entrepreneurship	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	–
Leadership/ Operational Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Marketing – Digital, Consumer & E-commerce	✓	✓	✓	✓	✓	–	✓	✓	✓	✓	–
Industry knowledge	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Brand Building	✓	✓	✓	✓	–	–	✓	✓	✓	✓	–
Governance and Regulatory oversight	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial literacy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Human Capital Management	✓	✓	✓	✓	✓	–	✓	–	✓	✓	–
M&A, Investment Management, Risk Management	✓	✓	✓	✓	–	✓	✓	✓	✓	✓	✓

The Company did not have any pecuniary relationship or transactions with any of the Non-Executive Directors during the financial year ended March 31, 2026 ("**the year under review**" or "**the year**" or "**FY 2025-26**") except for payment of sitting fees and commission incurred in the discharge of their duties. None of the Directors hold convertible instruments of the Company.

C. The names of other companies where Directors of the Company hold Directorship, its category and the number of Directorships and Committee Chairmanships/Memberships held by them in other Public Limited Companies as on March 31, 2026 is given below:

Name of Director	Directorship held in other Listed Entities along with Category*		Number of Directorships in other Companies**	Membership and Chairmanship of the Committees of the Board of other Companies***		Number of Equity Shares held
	Name of the listed entity	Category of Directorship		Member	Chairperson	
Ms. Falguni Nayar	-	-	1	-	-	NIL
Mr. Sanjay Nayar	-	-	1	-	-	NIL
Ms. Adwaita Nayar	-	-	1	-	-	1,80,360 (0.01%)
Mr. Anchit Nayar	-	-	1	-	-	9,60,480 (0.03%)
Ms. Anita Ramachandran	Happiest Minds Technologies Limited Blue Star Limited Grasim Industries Limited Ultratech Cement Limited Aditya Birla Sun Life AMC Limited	Independent Director	7	8	3	4,38,384 (0.02%)
Mr. Milind Sarwate	Viyash Scientific Limited (formerly "Sequent Scientific Limited") Mahindra and Mahindra Financial Services Limited Asian Paints Limited CEAT Limited Hexaware Technologies Limited#	Independent Director	6	7	4	63,156 (0.00%)
Mr. Pradeep Parameswaran	-	-	1	-	-	31,584 (0.00%)
Mr. Seshashayee Sridhara	Happiest Minds Technologies Limited	Independent Director	2	-	-	Nil
Mr. Santosh Desai	D. B. Corp Limited	Independent Director	1	2	-	Nil
Mr. Milan Khakhar	Solid Stone Company Limited	Managing Director	3	1	-	Nil
Mr. Dipak Gupta	-	-	3	1	-	4,50,124 (0.02%)

**Regulation 17A of the Listing Regulations provides for the inclusion of only equity listed entities for reckoning the Directorship in the listed entity, hence directorships held in debt listed entities have not been considered for reporting as above.*

***For the purpose of reckoning Directorship /Committees position, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Act, have been excluded.*

****In terms of Regulation 26(1)(b) of the Listing Regulations, the disclosure includes chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee in other public limited companies (listed and unlisted). Further, membership includes positions as Chairperson of the Committee. Also excludes the membership & chairmanship in Company.*

#Mr. Milind Sarwate ceased to be a Director of Hexaware Technologies Limited w.e.f. April 25, 2026.

As per declarations received from the Directors:

- None of the Directors is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a Director.
- None of the Directors hold Directorship in more than ten public companies and in more than seven listed companies, across the directorships held including that in the Company.

D. Board Meetings and attendance

During the FY 2025-26, 6 (Six) Board Meetings were held. The Meetings were held on May 30, 2025; August 12, 2025; November 07, 2025; November 26, 2025; February 05, 2026 and March 12, 2026 respectively. Attendance of the Directors at the Board Meetings is given below:

Date of Meetings	Ms. Falguni Nayar	Mr. Sanjay Nayar	Ms. Adwaita Nayar	Mr. Anchit Nayar	Mr. Milan Khakhar	Ms. Anita Ramachandran	Mr. Milind Sarwate	Mr. Pradeep Parameswaran	Mr. Seshashayee Sridhara	Mr. Santosh Desai	Mr. Dipak Gupta*
May 30, 2025	●	●	●	●	●	●	●	●	○	●	NA
August 12, 2025	●	●	●	●	●	●	●	○	○	●	NA
November 07, 2025	●	●	●	●	●	●	●	○	●	●	●
November 26, 2026	●	●	●	●	●	●	●	○	○	○	●
February 05, 2026	●	●	●	●	●	●	●	○	○	●	●
March 12, 2026	●	○	●	●	●	○	●	○	○	●	●
% of attendance	100	83.33	100	100	100	83.33	100	16.67	16.67	83.33	100

** Mr. Dipak Gupta was appointed as an Independent Director of the Company with effect from October 01, 2025 and hence he was entitled to attend only 4 meetings held during the FY 2025-26.*

Attendance of the Directors at the 13th Annual General Meeting ("AGM") is given below:

Date of Meeting	Ms. Falguni Nayar	Mr. Sanjay Nayar	Ms. Adwaita Nayar	Mr. Anchit Nayar	Mr. Milan Khakhar	Ms. Anita Ramachandran	Mr. Milind Sarwate	Mr. Pradeep Parameswaran	Mr. Seshashayee Sridhara	Mr. Santosh Desai	Mr. Dipak Gupta*
August 25, 2025	●	●	●	●	●	●	●	○	●	●	NA

● Present ○ Absent

E. Board Procedures and flow of information

The Management provides the Board with additional information beyond what is required by regulation, which enables informed decision-making and contributes to the Company's growth. The Chairperson, Managing Director & CEO and the Executive Directors are responsible for day-to-day management and are supported by the Senior Management Team members. The Board/Committee Meetings are pre-scheduled and an annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of special and urgent business needs, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The Board periodically reviews updates on business performance, projects, corporate restructuring plans, strategic plans, risk management and other key areas impacting the business and also on organization talent and culture. Information is provided continuously for review and approval, including strategic and operating plans, financial statements, appointments in senior management and Directors, audits, legal and compliance matters and regulatory updates.

A formal system for follow-up, review and reporting on actions taken by Management on Board decisions is in place. The Board Members are provided with continuous information about the Company's operations for their review, input and approval. This includes presenting our annual strategic plan, budget and mid-term plan to the Board. The Management also present various matters such as appointment of Senior Management Personnel, corporate actions and updates, review of internal and statutory audits, details of investor grievances and shareholding analysis, important managerial decisions, risk management initiatives including cyber security along with mitigation actions, CSR and ESG initiatives and plans and status of the implementations and legal/ statutory matters to the respective Committees of the Board. These matters are later presented to the Board of Directors for approval, as may be required.

In order to facilitate effective discussions at the Board Meetings, the agenda is categorised into items requiring approval and items which are to be noted by the Board. Clarification/queries, if any, on the items which are to be noted/taken on record by the Board are sought and resolved before the meeting itself. This ensures focused and effective discussions at the Meetings.

F. Independent Directors

The Company has received declarations from the Independent Directors that they meet the criteria of Independence laid down under the Act and the Listing Regulations. The Independent Directors have also confirmed that their registration with the databank of persons offering to become Independent Directors as created by the Indian Institute of Corporate Affairs is valid.

The Board of Directors, based on the confirmations/ declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that in their opinion, the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and the Act and are independent of the Management of the Company.

All Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. None of the Independent Director(s) of the Company resigned before the expiry of their tenure. The terms and conditions of their appointment are disclosed on the Company's website Terms and Conditions of appointment of Independent Directors.

G. Separate Meeting of Independent Directors

Schedule IV of the Act, Listing Regulations and Secretarial Standard – 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of Management.

The Independent Directors Meeting for the FY 2025-26 was held on March 24, 2026. The Independent Directors, *inter alia*, discussed and reviewed performance of Non-Independent Directors, the Board as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In addition to formal meetings, frequent interactions outside the Board Meetings also take place between the Independent Directors and with the Chairperson and rest of the Board as well as with the Senior Management Team.

H. Familiarisation Programme

The Company's familiarisation programmes for its Independent Directors includes an overview of the business model of the Company and its subsidiaries, the socio-economic environment in which the Company operates, the operational and financial performance of the Company and the significant developments taking place on a continuous basis. The Company also familiarise the Independent Directors with their roles, rights and responsibilities in the Company. The Company also ensures induction and training programs are conducted for newly appointed Directors.

The details of familiarisation programmes imparted to Independent Directors are also disclosed on the Company's website: Familiarisation Program FY 2025-26.

I. Directors and Officers Insurance

In line with the requirements of Regulation 25(10) of the Listing Regulations, your Company has undertaken Directors and Officers Insurance ("D and O Insurance") for all its Directors, including Independent Directors, for such quantum and risks as determined by the Board of Directors of the Company.

4. COMMITTEES

The Board Committees are the pillars of the governance structure of the Company. The Board Committees are formed as a means of improving Board's effectiveness and efficiency in areas where more focused, specialised and technically oriented discussions are required. These Committees prepare the groundwork for decision-making and enhance the objectivity and independence of the Board's judgement. The Members constituting certain Committees are majority Independent Directors and each Committee is guided by its Charter or Terms of Reference, which outlines the composition, scope, roles & responsibilities of the Committees. The Chairperson of the Committees apprise the Board about the executive summary of the discussions held and decisions arrived at the Committee Meetings.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. The Company has 5 (Five) statutory Committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, Corporate Social Responsibility & Environmental, Social and Governance Committee and 1 (One) non-statutory Committee namely Fundraise and Investment Committee.

After the conclusion of FY 2025-26, the Board of Directors, at its meeting held on May 15, 2026 constituted a Governance Committee for "Those Charged With Governance" (TCWG) pursuant to the NFRA Circular dated January 07, 2026, regarding "Effective Communication between Statutory Auditors and Those Charged with Governance".

DETAILS OF STATUTORY COMMITTEES

A. Audit Committee

Terms of Reference

The scope and function of the Audit Committee is in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations and its terms of reference are as follows:

(i) The Audit Committee shall have powers, which should include the following:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information from any employee of the Company;
- (c) To obtain outside legal or other professional advice;
- (d) To secure attendance of outsiders with relevant expertise if it considers necessary; and
- (e) Such powers as may be prescribed under the Act and Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

- (a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the

internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Directors' 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;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgement by the Management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) Qualifications/modified opinion(s) in the draft audit report.

(e) Reviewing, with the Management, the quarterly, half yearly and annual financial statements before submission to the Board for approval;

(f) 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 utilised for purposes other than those stated in the issue document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;

(i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the Listing Regulations and/or the applicable Accounting Standards and/or the Act.

(j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(k) Scrutiny of inter-corporate loans and investments;

(l) Undertaking or supervising valuation of undertakings or assets of the company, wherever it is necessary;

(m) Evaluation of internal financial controls and risk management systems;

(n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(o) 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;

(p) Discussion with internal auditors of any significant findings and follow up thereon;

(q) 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;

(r) 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;

(s) Looking 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;

(t) Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(w) Carrying out any other functions as provided under the provisions of the Act, the Listing Regulations and other applicable laws;

(x) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;

(y) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(z) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(aa) Reviewing the utilization of loans and/or advances from/investment by Company in the subsidiaries exceeding rupees 100 crore 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;

(ab) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders; and

(ac) Carrying out any other functions as may be required/mandated and/or delegated by the Board as per the provisions of the Act, Listing Regulations and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

(iii) The Audit Committee shall mandatorily review the following information:

(i) Management's discussion and analysis of financial condition and results of operations;

(ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management of the Company;

(iii) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(iv) Internal audit reports relating to internal control weaknesses;

(v) The appointment, removal and terms of remuneration of the chief internal auditor;

(vi) Statement of deviations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and

(ii) annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations;

(vii) To review the financial statements, in particular, the investments made by any unlisted subsidiary; and

(viii) Such information as may be prescribed under the Act and Listing Regulations.

Meetings and Composition

The Committee met 5 (Five) times during the year under review on May 29, 2025, August 11, 2025, November 06, 2025, February 04, 2026 and March 24, 2026. Meetings held on May 29, 2025, August 11, 2025, November 06, 2025 and February 04, 2026 were adjourned to May 30, 2025, August 12, 2025, November 07, 2025 and February 05, 2026, respectively for consideration of certain agenda items. The requisite quorum was present at all the meetings including the adjourned meetings of the Audit Committee. The maximum interval between any two meetings did not exceed 120 days. Details of the composition of the Audit Committee and attendance at meetings are as follows:

Date of Meetings	Mr. Milind Sarwate (C)	Ms. Anita Ramachandran (M)	Mr. Santosh Desai (M)	Mr. Seshashayee Sridhara (M)	Mr. Dipak Gupta (M)
May 29, 2025	●	●	●	○	NA
May 30, 2025#	●	●	●	○	NA
August 11, 2025	●	●	●	NA	NA
August 12, 2025#	●	●	●	NA	NA
November 06, 2025	●	●	NA	NA	●
November 07, 2025#	●	●	NA	NA	●
February 04, 2026	●	●	NA	NA	●
February 05, 2026#	●	●	NA	NA	●
March 24, 2026	●	●	NA	NA	●
% of attendance	100	100	100	-	100

● Present ○ Absent # Adjourned Meeting C Chairman M Member

Notes:

1. Mr. Seshashayee Sridhara ceased to be a Member of the Audit Committee w.e.f. May 30, 2025.
2. Mr. Santosh Desai ceased to be a Member of the Audit Committee w.e.f. October 01, 2025.
3. Mr. Dipak Gupta was inducted as a Member of the Audit Committee w.e.f. October 01, 2025.

The Company Secretary and Compliance Officer of the Company acts as the Secretary of the Audit Committee.

B. NOMINATION AND REMUNERATION COMMITTEE ("NRC")

Terms of Reference

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Act read with Regulation 19 of the Listing Regulations and its terms of reference are as follows:

(a) To allot equity shares upon exercise of Employee Stock Options under the Employee Stock Option Schemes of the Company;

(b) Formulation of 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;

The Nomination and Remuneration Committee, while formulating the above policy, ensures that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(c) 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:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(d) Formulation of criteria for evaluation of performance of independent directors and the Board;

(e) Devising a policy on Board diversity;

(f) Identifying persons who are qualified to become Directors of the Company and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(g) Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;

(h) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors;

(i) Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary);

(j) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(k) Determining 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;

(l) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(m) Administering the employee stock option scheme/ plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") including the following:

(i) Determining the eligibility of employees to participate under the ESOP Scheme;

(ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) Date of grant;

(iv) Determining the exercise price of the option under the ESOP Scheme;

(v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(x) The grant, vest and exercise of option in case of employees who are on long leave;

(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;

(xii) The procedure for cashless exercise of options;

(xiii) Forfeiture/ cancellation of options granted;

(xiv) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(n) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(o) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable;

(p) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and

(q) Such terms of reference as may be prescribed under the Act, Listing Regulations or other applicable laws or by any other regulatory authority.

Meetings and Composition

The Committee met 3 (Three) times during the year under review on April 17, 2025, May 06, 2025 and November 06, 2025. The requisite quorum was present at all the meetings of the Committee. Details of the composition of the Nomination and Remuneration Committee and attendance at meetings are as follows:

Date of Meetings	Ms. Anita Ramachandran (C)	Mr. Milan Khakhar (M)	Mr. Pradeep Parameswaran (M)
April 17, 2025			
May 06, 2025			
November 06, 2025			
% of attendance	100	100	100

Present | Absent | C Chairperson | M Member

Note:

1. Mr. Dipak Gupta has been inducted as a Member of the Nomination and Remuneration Committee w.e.f. April 27, 2026.

The Company Secretary and Compliance Officer of the Company acts as the Secretary of the Nomination and Remuneration Committee.

Board, Director and Committee Evaluation and criteria for evaluation

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

The Company has a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairperson.

During the year under review, NRC carried out the performance evaluation of the Board, Committees of Board and individual Directors. The process involved a questionnaire-based approach followed by independent one on one discussions with all Board Members. The various steps involved in the evaluation process are as under:

Step I : Circulation of Evaluation forms to all Board Members.

Step II: Sharing of responses in the questionnaire by the Board Members with NRC Chairperson.

Step III: Preparation of Summary report by NRC Chairperson.

Step IV: Presentation of Summary report to the Board & decide appropriate actions.

The parameters for performance evaluation of the Board, Committees of Board and individual Directors are as follows:

- Contribution to and monitor corporate governance practices.
- Commitment to the fulfilment of a Directors' obligation.
- Fiduciary responsibilities.
- Any other aspects agreed by Board from time to time.

The performance evaluation exercise was carried out through a structured questionnaire covering various aspects i.e., composition of Board, governance process, Board/ Committee Meetings and procedure, overall functioning of the Board, domain expertise, integrity, inclusive leadership, awareness about Company's strategy/objectives, effective participation in the Meetings, appropriateness and timeliness of information, awareness about role and responsibilities, stakeholders' interest, etc.

The Board evaluation process was completed for FY 2025-26. The outcome of the performance evaluation was presented to the Nomination and Remuneration Committee and the Board of Directors of the Company.

The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward.

The Policy on Board of Directors' Evaluation Framework can be accessed at: Board of Directors' Evaluation Framework

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE ("SRC")

Terms of Reference

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Act and Regulation 20 of the Listing Regulations. The terms of reference of SRC are as follows:

(a) Transfer/transmission of shares;

(b) Split up/sub-division and consolidation of shares;

(c) Dematerialization/rematerialization of shares;

(d) Issue of new and duplicate share certificates;

(e) Transfer of shares to IEPF Authority;

(f) Release of shares from unclaimed suspense account of the Company;

(g) Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents;

(h) To open/close bank account(s) of the Company for depositing share/debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard;

(i) To look into redressal of shareholders' and investors' complaints relating to transfer/transmission of shares, non- receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc;

(j) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(k) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(l) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services;

(m) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Act or Listing Regulations, or by any other regulatory authority;

(n) Any allied matter(s) out of and incidental to these functions and not herein;

Meetings and Composition

The Committee met 2 (two) times during the year under review on May 08, 2025 and January 23, 2026. The requisite quorum was present at both the meetings. Details of the composition of Stakeholders' Relationship Committee and attendance at meetings are as follows:

Date of Meetings	Mr. Seshashayee Sridhara (C)	Mr. Anchit Nayar (M)	Ms. Adwaita Nayar (M)
May 08, 2025			
January 23, 2026			
% of attendance	100	100	100

Present | Absent | C Chairman | M Member

The Company Secretary and Compliance Officer of the Company acts as the Secretary of the Stakeholders' Relationship Committee.

Grievance Redressal Mechanism

The details of shareholders' complaints received and disposed off during the year under review, are given below:

Complaints as on April 01, 2025	Received during the year	Resolved during the year	Pending as on March 31, 2026
Nil	Nil	Nil	Nil

Details of queries and requests received in the year under review:

Pending as on April 01, 2025	Received during the year	Resolved during the year	Pending as on March 31, 2026
Nil	78	78	Nil

Nature of Requests/Queries: Request for hard copy of annual reports, book closures, stock-split, e-voting related, etc.

D. RISK MANAGEMENT COMMITTEE

Terms of Reference

The terms of reference of the Risk Management Committee are as follows:

(a) To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes;

(b) To periodically review the risk management policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(c) The policy includes:

i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Committee;

ii. Measures for risk mitigation including systems and processes for internal control of identified risks;

iii. Business Continuity Plan.

(d) To approve the process for risk identification and mitigation;

(e) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;

(f) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

(g) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(h) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(i) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

(j) To consider the effectiveness of decision-making process in crisis and emergency situations;

(k) To balance risks and opportunities;

(l) To generally, assist the Board in the execution of its responsibility for the governance of risk;

(m) To consider the appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;

(n) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

(o) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

(p) To attend to such other matters and functions as may be prescribed by the Board from time to time; and

(q) Such terms of reference as may be prescribed under the Act and Listing Regulations.

Meetings and Composition

The Committee met 2 (two) times during the year under review on May 07, 2025 and October 31, 2025. The requisite quorum was present at both the Meetings. The maximum interval between any two meetings did not exceed 210 days. The details of the composition of RMC and attendance at meetings are as follows:

Date of Meetings	Mr. Pradeep Parameswaran (C)	Mr. Sanjay Nayar (M)	Rajesh Uppalapati (M)
May 07, 2025			
October 31, 2025			
% of attendance	100	100	100

Present | Absent | C Chairman | M Member

Note:

1. Mr. Dipak Gupta has been inducted as a Member of the Risk Management Committee w.e.f. April 27, 2026.

The Company Secretary and Compliance Officer of the Company acts as the Secretary of the Risk Management Committee.

E. CORPORATE SOCIAL RESPONSIBILITY & ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE ("CSR & ESG COMMITTEE")

Terms of Reference

(a) To formulate and recommend to the Board, a corporate social responsibility policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and the rules made thereunder and make any revisions therein as and when decided by the Board;

(b) Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;

(c) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(d) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(e) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(f) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(g) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Act.

(h) To take note of the Compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company.

(i) Such terms of reference as may be prescribed under the Act and Listing Regulations.

The Company has adopted a Corporate Social Responsibility (CSR) Policy and identified following key focus areas for implementing CSR –

(a) Upliftment and mentoring of vulnerable age groups;

(b) Education, Skilling & Entrepreneurship;

(c) Access to healthcare;

(d) Sustainability and environmental responsibility.

Under the aegis of the ESG initiative, the Committee has an oversight responsibility on the Company's business operations from the standpoint of impact on environment and society. This underscores the Company's commitment as a responsible corporate citizen to improve execution of its business operations in a sustainable, environment friendly manner in the society and markets it operates in. The ESG initiatives are aimed at favourably impacting creation of opportunities for people, businesses and communities the Company works with. The Committee presents proposed initiatives to the Board in this regard.

The composition of the CSR & ESG Committee and the terms of reference are in compliance with the requirements under Section 135 of the Act.

Meetings and Composition

The Committee met 3 (three) times during the year under review on May 05, 2025, July 30, 2025 and November 06, 2025. The requisite quorum was present at all the meetings. The details of the composition of CSR & ESG Committee and attendance at meetings are as follows:

Date of Meetings	Ms. Anita Ramachandran (C)	Mr. Sanjay Nayar (M)	Ms. Adwaita Nayar (M)	Mr. Dipak Gupta (M)
May 05, 2025	Present	Present	Present	Absent
July 30, 2025	Present	Absent	Present	Absent
November 06, 2025	Present	Present	Present	Absent
% of attendance	100	66.67	100	-

Present | Absent | C Chairperson | M Member

Note:

1. Mr. Dipak Gupta was inducted as a Member of the CSR & ESG Committee w.e.f. November 07, 2025.

The Company Secretary and Compliance Officer of the Company acts as the Secretary of the CSR & ESG Committee.

5. REMUNERATION OF DIRECTORS

Remuneration Policy

In terms of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of your Company, on recommendation of the Nomination and Remuneration Committee ("NRC"), adopted Remuneration policy for Directors, Key Managerial Personnel and other Employees ("Remuneration Policy") which sets out criteria for the remuneration for Directors, Key Managerial Personnel ("KMP") and other employees so as to attract, retain and reward talent who will contribute to our long-term success and thereby build value for the shareholders.

As per Remuneration Policy, the Company expects its employees to foster a culture of growth and high performance. Our Policy supports the design of programmes that align rewards – including incentive programmes, retirement benefit programmes, promotion and advancement opportunities – with the long-term success of our stakeholders. The Policy enables and encourages employees to live by and demonstrate the Nykaa Values in its true spirit.

Remuneration of Directors:

Executive Directors are eligible for remuneration as may be approved by the Board on recommendation of the Committee. The remuneration and commission/variable pay to be paid to the Managing Director/Whole-time Director are in accordance with the provisions of the Act and the rules made thereunder.

Non-Executive/Independent Directors are eligible for sitting fees for attending Meetings of Board and Committees as fixed by the Board on the recommendation of the NRC in accordance with the provisions of the Act and the rules made thereunder. The Shareholders at the Extra-Ordinary General Meeting held on July 28, 2021 approved payment of commission to be paid to the Independent Directors not exceeding 1% of the profits of Company and/or its Subsidiaries, as applicable, for the year or such limits as may be prescribed under the Act.

Remuneration to KMP and other employees:

The KMP and other employees are paid remuneration as per the Company's Compensation Policy, designed around the following primary pay components: fixed pay, annual variable pay, long-term incentives, perks and benefits. The break-up of the pay scale and other components are governed by HR Policies of the Company. The remuneration is reviewed annually through the cyclical compensation review process.

The Remuneration Policy of the Company is available on the Company's website and can be accessed at: Remuneration Policy

Remuneration to Executive Directors for the FY 2025-26

(₹ in Crore)

Sr. No.	Name of Directors	Fixed Compensation	Perquisites/ Benefits	Variable Pay/ Commission	Total Remuneration
1.	Ms. Falguni Nayar[3]	0.74	Nil	Nil[1]	0.74
2.	Ms. Adwaita Nayar[4]	2.26	0.00	1.65[2]	3.91
3.	Mr. Anchit Nayar[5]	0.15	Nil	Nil[2]	0.15

Notes:

1. 2% of the Profit Before Tax of our Company on consolidated basis, subject to applicable statutory limits as approved by the Shareholders pursuant to their resolution dated March 08, 2021.
2. 0.5% of Profit Before Tax of the Company on a consolidated basis, subject to applicable statutory limits as approved by the Shareholders pursuant to their resolution dated July 16, 2021.
3. In addition to the above, Ms. Falguni Nayar has received ₹ 15.74 Crore as remuneration from Nykaa E-Retail Limited, a wholly-owned subsidiary of the Company.
4. Ms. Adwaita Nayar is also the Managing Director and CEO of Nykaa Fashion Limited (100% Subsidiary of the Company). In addition to the above, Ms. Adwaita Nayar has received ₹ 3.93 Crore as the remuneration from Nykaa Fashion Limited, a wholly-owned subsidiary of the Company.
5. Mr. Anchit Nayar is also the Managing Director and CEO of Nykaa E-Retail Limited (100% Subsidiary of the Company). In addition to the above, Mr. Anchit Nayar has received ₹ 7.69 Crore as the remuneration from Nykaa E-Retail Limited, a wholly-owned subsidiary of the Company.
6. Other than the variable pay plan as envisaged in the agreement entered into with the Company by Ms. Falguni Nayar, Ms. Adwaita Nayar and Mr. Anchit Nayar individually, the Company does not have any performance linked bonus or a profit-sharing plan for the said Directors.

Remuneration to Non-Executive Directors for the FY 2025-26

(₹ in Crore)

Sr. No.	Name of Directors	Sitting fees Paid	Commission Paid/ Payable	Total Remuneration
1.	Ms. Anita Ramachandran	0.09	0.36	0.44
2.	Mr. Milind Sarwate	0.08	0.42	0.50
3.	Mr. Santosh Desai	0.06	0.03	0.09
4.	Mr. Pradeep Parameswaran	0.02	0.03	0.05
5.	Mr. Seshashayee Sridhara	0.02	0.11	0.13
6.	Mr. Milan Khakhar	0.06	-	0.06

Notes:

1. No sitting fees or commission was paid to Mr. Sanjay Nayar and Mr. Dipak Gupta for FY 2025-26. No commission was paid to Mr. Milan Khakhar for FY 2025-26, with only sitting fees being paid.
2. During the year, there was no pecuniary relationship or transaction between the Company and any of its Non-Executive Directors apart from sitting fees and commission. The Company has not granted any stock options to any of its Non-Executive Directors.
3. Additionally, a commission of ₹ 0.28 Crore is paid by Nykaa-KK Beauty Private Limited to Mr. Santosh Desai. Thus, the total commission stands to ₹ 0.31 Crore, in addition to the sitting fees.
4. Additionally, a commission of ₹ 0.05 Crore is paid by FSN Brands Marketing Private Limited and ₹ 0.22 Crore is paid by FSN International Limited to Mr. Seshashayee Sridhara. Thus, the total commission stands to ₹ 0.38 Crore, in addition to the sitting fees.
5. Additionally, a commission of ₹ 0.31 Crore is paid by Nykaa E-Retail Limited to Mr. Pradeep Parameswaran. Thus, the total commission stands to ₹ 0.34 Crore, in addition to the sitting fees.

Other disclosures for Executive Directors:

Sr. No.	Name of Directors	Service Contract	Notice Period	Stock Options	Severance fees
1.	Ms. Falguni Nayar	5 years	6 months	Nil	Refer to the Note
2.	Ms. Adwaita Nayar	5 years	6 months	Nil	
3.	Mr. Anchit Nayar	5 years	6 months	Nil	

Note: Severance fees for all Executive Directors are 2 Years' compensation (computed basis prevailing annual fixed remuneration and average of immediately preceding two years variable pay paid to the respective Executive Director).

Senior Management Personnel

As on March 31, 2026, the Senior Management Personnel are as follows:

Name	Designation
Ms. Falguni Nayar	Executive Chairperson, Managing Director and Chief Executive Officer, Founding Member
Ms. Adwaita Nayar	Executive Director - FSN E-Commerce Ventures Limited, Managing Director & Chief Executive Officer - Nykaa Fashion Limited
Mr. Anchit Nayar	Executive Director - FSN E-Commerce Ventures Limited, Managing Director & Chief Executive Officer – Nykaa E-Retail Limited
Mr. P Ganesh	Chief Financial Officer
Mr. Vishal Gupta	Chief Executive Officer - Nykaa Distribution
Mr. Rajesh Uppalapati	Chief Technology Officer
Mr. Manoj Jaiswal	Chief Officer – Warehouse Operations
Mr. Surender Mehta	Chief Human Resource Officer
Mr. Sujeet Jain	Chief Legal and Regulatory Officer
Dr. Chetan Sharma	Company Secretary and Compliance Officer

Notes:

1. Ms. Falguni Nayar was re-appointed as the Executive Chairperson, Managing Director and Chief Executive Officer of the Company by the Members of the Company with effect from February 12, 2026 vide an Ordinary Resolution passed through Postal Ballot on January 28, 2026.
2. Mr. Neelabja Chakrabarty ceased to be the Company Secretary & Compliance Officer and a Key Managerial Personnel of the Company with effect from September 30, 2025.
3. Dr. Chetan Sharma was appointed as the Company Secretary & Compliance Officer and a Key Managerial Personnel of the Company with effect from November 26, 2025.

6. GENERAL MEETINGS

Previous 3 (Three) Annual General Meetings

Year	Date	Time	Location (Deemed Venue)	Special Resolutions passed
2025*	August 25, 2025	10:30 a.m.	104 Vasan Udyog Bhavan, Sun Mill Compound, Lower Parel (W), Mumbai – 400 013	Nil
2024*	September 18, 2024	03:30 p.m.		Nil
2023*	September 18, 2023	10:30 a.m.		Nil

*The Ministry of Corporate Affairs ("**MCA**") has, vide its General Circular dated September 22, 2025 read together with circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 (collectively referred to as "**MCA Circulars**"), permitted convening the Annual General Meeting ("**AGM" / "Meeting**") through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**"), without physical presence of the members at a common venue.

Further, in accordance with the Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards – 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM.

Postal Ballot

Details of Special Resolution proposed to be conducted through postal ballot:

The Board of Directors, at their meeting held on May 15, 2026 has approved and recommended to the shareholders the following items to be passed as Special Resolutions through postal ballot:

i. Re-appointment of Mr. Milind Sarwate (DIN: 00109854) as a Non-Executive Independent Director of the Company for a second consecutive term of 5 years.

ii. Re-appointment of Ms. Anita Ramachandran (DIN: 00118188) as a Non-Executive Independent Director of the Company for a second consecutive term of 5 years and approval for continuation after attaining the age of 75 years.

Details of Special Resolutions passed in the last year through postal ballot:

During the FY 2025-26, the approval of the Members of the Company by way of a Special Resolution was sought through Postal Ballot on the following resolution:

Sr. No.	Description of Resolutions	% of Votes cast in favour	% of Votes cast against	Type of Resolution	Date of passing of the Special Resolution
1.	Appointment of Mr. Dipak Gupta (DIN: 00004771) as a Non-Executive, Independent Director for a term of 5 years.	99.81	0.19	Special Resolution	December 26, 2025

The above resolution as set out in the Postal Ballot Notice, was passed by the Members of the Company with requisite majority.

Procedure

Pursuant to the provisions of Sections 108, 110 and all other applicable provisions, if any, of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Listing Regulations, read with General Circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and subsequent circulars issued in this regard, the latest being circular dated September 22, 2025 issued by the Ministry of Corporate Affairs in this regard, Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India and other applicable regulations, rules, circulars and notifications issued thereunder (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force), approval of Members of the Company for the above mentioned resolutions were obtained by Postal Ballot through remote e-voting process. The details of the Postal Ballot activity is mentioned hereunder:

Remote e-voting	The Company had engaged the services of NSDL for the purpose of providing e-voting facility for the Postal Ballot to all its members
Scrutinizer	The Board of Directors had appointed Mr. Sachin Sharma (Membership No. F12788/ CP. No. 20423) or failing him Mr. Dinesh Trivedi (Membership No. A23841 / CP. No. 22407) or failing him Mr. Vishwanath (Membership No.: A14521 /CP. No.: 25099), Designated Partner, M/s. Sharma and Trivedi LLP (LLPIN: AAW-6850), Company Secretaries, Mumbai, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
Cut-off date	Friday, November 21, 2025
Total number of Shareholders as on Cut-off date	4,38,122
Dispatch date of Notice	The postal ballot notice was sent to all eligible shareholders, electronically, on Friday, November 26, 2025.
Remote e-voting period	Commenced at 9:00 A.M. IST on Thursday, November 27, 2025; and Concluded at 05:00 P.M. IST on Friday, December 26, 2025.
Date of declaration of voting results	The voting results were declared on Friday, December 26, 2025

7. MEANS OF COMMUNICATION

Financial Results

Your Company's quarterly financial results are submitted to the stock exchanges within forty-five days from the end of the quarter and the audited annual results are announced within sixty days from the end of the financial year as required under the Listing Regulations which are also available on the website of your Company at https://www.nykaa.com/i-r-quarterly-half-yearly-annual-filings-2026/lp. The results are usually published in (Financial Express / Free Press Journal) English newspaper having country-wide circulation and in (Navshakti / Loksatta) Marathi newspaper where the Registered Office of the Company is situated.

Investors/analysts Meets

Your Company's officials interact on a regular basis with stakeholders through investor meetings, investor calls, media interactions, interviews, etc. Intimation, presentations and outcome of such meets are uploaded on the website of stock exchanges and displayed on your Company's website at https://www.nykaa.com/i-r-investor-analyst-meets-2027/lp

Press/Media releases

Official news and press/media releases are uploaded on the website of stock exchanges and displayed on your Company's website at https://www.nykaa.com/stock-exchange-filings/lp

Compliance reports, corporate announcements, material information and updates: Your Company disseminates the requisite compliance reports and corporate announcements/ updates to the stock exchanges through their designated portal.

Website

Your Company's website https://www.nykaa.com/investor-relations/lp contains a separate section for investors. Information on various topics such as the Board of Directors, Committees of the Board, Annual Reports, various policies,

intimation to stock exchanges etc. are available on the website.

Designated Exclusive E-mail IDs

Your Company has designated the following E-mail IDs exclusively for investor servicing:

(a) For Investor Queries and Grievance Redressal:
investor-relation@nykaa.com
nykaacompanysecretary@nykaa.com

(b) For queries in respect of shares in physical mode:
rnt.helpdesk@in.mpms.mufg.com

In line with the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Company will be sending this year's Annual Report (including subsequent notices and communications, as permissible) to the shareholders who have registered their email address with the Company/ Depository. The Annual Reports of your Company are also available in the Investor Relations section of the Company's website.

8. GENERAL SHAREHOLDER INFORMATION

Corporate Identification Number

L52600MH2012PLC230136

Registered Office Address

104 Vasan Udyog Bhavan, Sun Mill Compound, Tulsi Pipe Road, Lower Parel Mumbai – 400 013.

Annual General Meeting:

Date: Tuesday, August 25, 2026	**Time: 10:30 A.M. (IST)**

Venue: Meeting through VC/OAVM [Deemed Venue for Meeting: Registered Office of the Company at 104 Vasan Udyog Bhavan, Sun Mill Compound, Tulsi Pipe Road, Lower Parel Mumbai – 400 013]

Financial Year

The financial year covers the period from April 01, 2025 to March 31, 2026.

Dividend Payment Date

The Company has not recommended any Dividend on the Equity Shares of the Company for financial year ended March 31, 2026.

Listing details

The listing details of the Company are as follows:

Name of Stock Exchange	Trading Symbol / Scrip	ISIN	Address
BSE Limited	543384	INE388Y01029	Phiroze Jeejeeboy Towers, Dalal Street, Fort, Mumbai- 400 001
National Stock Exchange of India Limited	NYKAA		Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051

Payment of Listing Fees

Annual Listing Fees for the Financial Year 2026-27 has been paid by the Company to National Stock Exchange of India Limited and BSE Limited.

Transfer of unclaimed/unpaid amount to the Investor Education and Protection Fund

During the year under review, the Company was not required to transfer any fund to the Investor Education and Protection Fund.

Suspension from trading:

During the FY 2025-26, Equity Shares of your Company were not suspended from trading.

Investor Correspondence

Registrar and share transfer agent: (For Shares held in Physical form)	MUFG Intime India Private Limited (previously known as Link Intime India Private Limited) C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, India. Tel. No. : +91 8108116767 Email : investor.helpdesk@in.mpms.mufg.com Website : https://in.mpms.mufg.com/ Toll Free No. : 1800 1020 878
For Shares held in Demat form	Investors' concerned Depository Participant
Secretarial Department	Your Company has designated nykaacompanysecretary@nykaa.com as an exclusive E-mail ID for Investors for the purpose of registering grievances and complaints.

Share Transfer System:

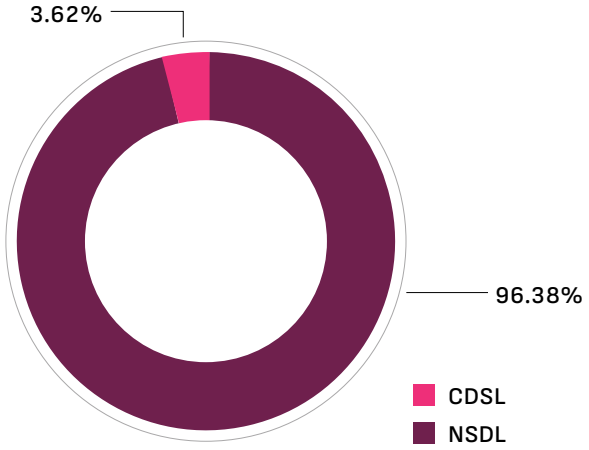
Effective from April 1, 2019 SEBI has mandated that shares can be transferred only in Demat. Hence no transfer of shares in physical form can be lodged by the shareholders. Shareholders, who hold shares in physical form, are advised to convert them into dematerialized mode to avoid the risk of losing shares, fraudulent transactions and to receive better investor servicing.

Dematerialisation of shares:

As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred/ traded only in dematerialised form. As on March 31, 2026, approximately 100% of shareholding was held in Dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

MODE OF HOLDING	NO. OF SHARES	% OF SHARE CAPITAL
Physical	198	0.00
Demat	2,86,32,27,158	100
NSDL (A)	2,75,96,31,058	96.38
CDSL (B)	10,35,96,100	3.62
Total	**2,86,32,27,356**	**100**

Dematerialisation Position



Distribution of Shareholding by Size as on March 31, 2026:

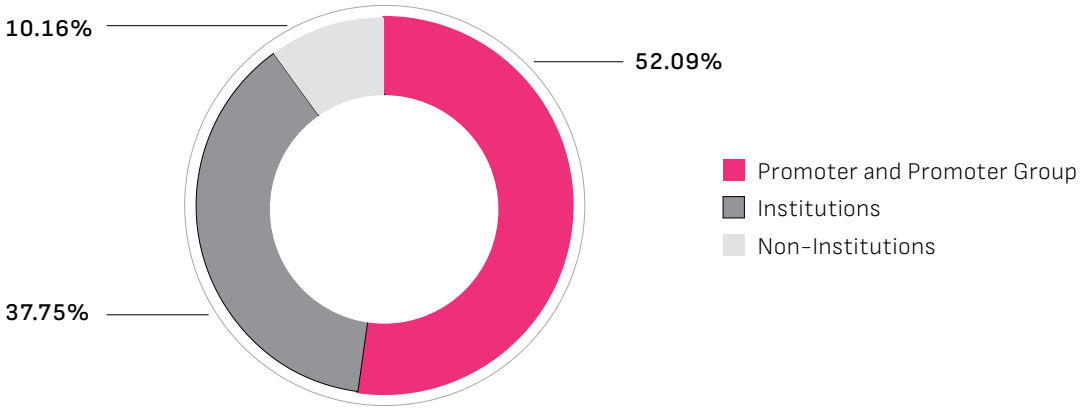
Category (shares)	No. of Shareholders*	% of Shareholders	No. of Shares held	% of shareholding
1 to 500	3,72,406	92.78	2,55,62,720	0.89
501 to 1000	16,917	4.21	1,22,47,381	0.43
1001 to 2000	6,798	1.69	95,14,874	0.33
2001 to 3000	1,752	0.44	43,29,286	0.15
3001 to 4000	765	0.19	26,89,800	0.10
4001 to 5000	503	0.13	23,12,755	0.08
5001 to 10000	796	0.20	56,56,836	0.20
10001 and Above	1,437	0.36	2,80,09,13,704	97.82
Total	**4,01,374**	**100**	**2,86,32,27,356**	**100**

**The number of shareholders herein are calculated on the basis of folio count.*

Shareholding Pattern as on March 31, 2026:

Sr. No.	Category of Shareholders	No. of shareholders*	Total number of shares	% of total no. of shares
A	**Shareholding of Promoter and Promoter Group**			
1.	Indian	9	1,49,13,92,142	52.09
2.	Foreign	-	-	-
	Total shareholding of Promoter and Promoter Group	**9**	**1,49,13,92,142**	**52.09**
B	**Public Shareholding**			
1.	Institutions	627	1,08,10,31,679	37.75
2.	Non-Institutions	3,95,041	29,08,03,535	10.16
	Total Public Shareholding	**3,95,668**	**1,37,18,35,214**	**47.91**
	Total (A+B)	**3,95,677**	**2,86,32,27,356**	**100**

**The number of shareholders herein are clubbed on the basis of PAN of shareholders.*



Liquidity:

The shares of your Company are actively traded on BSE and NSE. Relevant data for the average daily turnover for FY 2025-26 is given below:

Particulars	NSE	BSE	NSE + BSE
Shares (in No.)	76,73,974	5,56,259	82,30,233
Value (in ₹ crore)	175.33	12.27	187.60

(Source: The above information is compiled from the data available on the websites of BSE and NSE)

Outstanding American Depository Receipts (ADRs) / Global Depository Receipts (GDRs)/Warrants or any Convertible Instruments, conversion date and likely impact on Equity.

The Company does not have any outstanding ADRs/GDRs/ Warrants. Details to the extent of outstanding employee stock options convertible into equity shares have been disclosed in the disclosure for ESOPs which forms part of the Board Report.

Plant Locations:

Considering the nature of business in which your Company is engaged it does not have any manufacturing plant.

List of all Credit Ratings obtained by the Company along with revisions for the FY 2025-26:

CRISIL Ratings Limited had assigned the credit rating to your Company as follows:

Type of Credit rating	During the FY 2025-26
Long Term Rating	Crisil A/ Stable (re-affirmed)

Management Discussion and Analysis Report:

Management Discussion and Analysis Report forms part of this Integrated Annual Report.

9. OTHER DISCLOSURES / COMPLIANCES / CERTIFICATIONS DISCLOSURE FROM SENIOR MANAGEMENT

Subsidiary Companies – Monitoring Framework

The Company monitors performance of its Subsidiary Companies, *inter alia*, by the following means:

(i) The Audit Committee reviews financial results of the subsidiary Companies, along with investments made by them, on a quarterly basis.

(ii) The Board of Directors reviews the Minutes of the Board Meeting and statement of all significant transactions and arrangements, if any, of subsidiary Companies.

(iii) At least one Independent Director of the Company is on the Board of Directors of unlisted Material Subsidiary - Nykaa E-Retail Limited in terms of Regulation 24 of the Listing Regulations.

The Company has formulated a policy for determining its Material Subsidiaries and the same is available on the website of the Company. The weblink for the same is Policy for determining Material Subsidiaries

The Material Subsidiaries of the Company, pursuant to the Regulation 16 of the Listing Regulations, along with the details of their Statutory Auditors are specified hereunder:

Sr. No.	Material Subsidiaries	Date and Place of Incorporation	Name of of such Auditor	Appointment Date
1.	Nykaa E-Retail Limited	February 22, 2017, Mumbai	M/s. S. R. Batliboi & Associates LLP, Mumbai	November 30, 2021
2.	FSN Brands Marketing Private Limited	February 19, 2015, Mumbai		

Vigil Mechanism/Whistle-Blower Policy

The Vigil Mechanism/Whistle-Blower Policy has been explained in detail in the Board's Report.

Related Party Transactions & Conflict of Interest

All the contracts/arrangements/transactions entered by your Company during the financial year with related parties were in its Ordinary Course of business and on arms' length basis. The Company has made full disclosure of transactions with the related parties as set out in the Notes of Standalone Financial Statements, forming part of the Annual Report. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Your Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the website of the Company at Policy on Materiality of Related Party Transactions

Details of non-compliance on matters relating to Capital Market Compliance with Listing Regulations

Equity Shares of the Company are listed and traded on National Stock Exchange of India Limited and BSE Limited. The Company has complied with the Rules, Regulations and Guidelines prescribed by Securities and Exchange Board of India (SEBI) and Stock Exchange as applicable to the Company, from time to time. There were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI

and/or any other statutory authorities on matters relating to capital market during the year under review.

Website

All the information and disclosures required to be disseminated pursuant to the Listing Regulations and the Act are being posted at Company's corporate website at https://www.nykaa.com/investor-relations

Disclosure of commodity price risks and commodity hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular updated on January 30, 2026 (erstwhile SEBI Master Circular dated November 11, 2024) is not applicable.

For details on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis, which forms part of this Integrated Annual Report.

Equity Shares in the demat suspense account / unclaimed suspense account

The Company does not have any equity shares in the demat suspense account or unclaimed suspense account.

Code for prevention of Insider Trading Practices

In accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has in place following Policies/Codes which are revised from time to time according to applicable laws or as per need.

- Code of Conduct for Prevention of Insider Trading; and
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI). Policy for determination of "legitimate purposes" forms part of this Code.

All compliances relating to Code of Conduct for Prevention of Insider Trading are being managed through a web-based portal installed by the Company. This code lays down guidelines advising the designated persons, insiders and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of FSN E-Commerce Ventures Limited and while handling any unpublished price sensitive information, cautioning them of the consequences of violations. The Company Secretary has been appointed as the Compliance Officer.

CEO/CFO Certification

The Executive Chairperson, Managing Director & Chief Executive Officer and Chief Financial Officer of the Company have jointly furnished an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations and is attached to this Report as **Annexure – II(B).**

Further, the Executive Chairperson, Managing Director & Chief Executive Officer and Chief Financial Officer of the Company have also jointly certified and issued the quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

No Disqualification Certificate from Company Secretary in Practice

A certificate from M/s. S. N. Ananthasubramanian & Co., Company Secretaries, the Secretarial Auditor of the Company, certifying 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 Board/Ministry of Corporate Affairs or any such Statutory Authority, as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations, is attached to this Report as **Annexure – II(C).**

Fees to Statutory Auditor and its Affiliates

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended March 31, 2026, is ₹ 6.51 Crore (including the audit fees of ₹ 2.98 Crore).

Prevention of Sexual Harassment (PoSH)

Your Company is committed to create and provide an environment free from discrimination and harassment including sexual harassment for all its employees. Your Company has in place Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 which mandates no tolerance against any conduct amounting to workplace sexual harassment. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The Company prohibits and has zero tolerance towards any actions relating to workplace sexual harassment and it is dealt expeditiously and fairly through prompt and thorough investigation whenever any instance in this regard is reported, the details of which are as under:

Sr. No.	Particulars	Number of Complaints
1.	Filed during the year under review	NIL
2.	Disposed of during the year under review	NIL
3.	Pending as on end of the financial year	NIL

Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

During the FY 2025-26, there are no loans or advances provided by the Company and its subsidiaries to firms/companies in which directors were interested except as disclosed in the financial statements for the FY 2025-26.

Disclosure of certain types of agreements

Your Company has not entered into any agreements which requires disclosures pursuant to Clause 5A of Para A of Part A of Schedule III of Listing Regulations.

Compliance with Mandatory Requirements and Adoption of Discretionary Requirements

Your Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations and the following discretionary requirement of the Listing Regulations are adopted:

(1) Unmodified Audit Opinion

During the year under review, there is no audit qualification in your Company's Standalone Financial Statements and Consolidated Financial Statements. Your Company continues to adopt best practices to ensure the robustness of financial statements with unmodified audit qualifications.

(2) Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Act, your Company has appointed Internal Auditor who directly reports to the Audit Committee of the Board of Directors.

Compliance Report on Corporate Governance

The Company submits on quarterly basis, a compliance report on corporate governance in the format prescribed by the Securities and Exchange Board of India, within the statutory period, from the close of the quarter with the Stock Exchanges. The said report is placed before the Board every quarter at its subsequent meeting, for its noting and comments/observations/advice, if any.

Compliance with requirement of Corporate Governance Report

Your Company has complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report:

Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/ N.A.	Key Compliance Observed
1	Board of Directors	17	Yes	• Composition and Appointment of Directors • Meetings and Quorum • Review of compliance reports • Plans for orderly succession • Code of Conduct • Fees/compensation to Non-Executive Directors • Minimum information to be placed before the Board • Compliance Certificate by Chief Executive Officer and Chief Financial Officer • Risk management plan, Risk assessment and Minimisation procedures • Performance evaluation of Independent Directors • Recommendation of Board for each item of special business
2	Maximum Number of Directorships	17A	Yes	• Directorships in listed entities
3	Audit Committee	18	Yes	• Composition • Meetings and quorum • Chairperson present at AGM • Role of the Committee
4	Nomination and Remuneration Committee	19	Yes	• Composition • Meetings and quorum • Chairperson present at AGM • Role of the Committee
5	Stakeholders Relationship Committee	20	Yes	• Composition • Meetings and quorum • Chairperson present at AGM • Role of the Committee

Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/ N.A.	Key Compliance Observed
6	Risk Management Committee	21	Yes	• Composition • Meetings and quorum • Role of the Committee
7	Vigil Mechanism	22	Yes	• Vigil Mechanism and Whistle-Blower Policy for Directors and employees • Adequate safeguards against victimisation • Direct access to the Chairperson of Audit Committee
8	Related party transactions	23	Yes	• Policy on Materiality of related party transactions and dealing with related party transactions • Prior approval including omnibus approval of Audit Committee for related party transactions • Quarterly review of related party transactions • Disclosure on related party transactions
9	Subsidiaries of the Company	24	Yes	• Appointment of Company's Independent Director on the Board of unlisted material subsidiaries • Review of financial statements and investments of unlisted subsidiaries by the Audit Committee • Minutes of the Board of Directors of the unlisted subsidiaries are placed at the meeting of the Board of Directors • Significant transactions and arrangements of unlisted subsidiaries are placed at the meeting of the Board of Directors
10	Secretarial Audit	24A	Yes	• Secretarial Audit of the Company and of material unlisted subsidiaries • Secretarial Audit Report of the Company and of material subsidiaries are annexed with the Annual Report of the Company • Annual Secretarial Compliance Report
11	Obligations with respect to Independent Director	25	Yes	• Tenure of Independent Directors • Meetings of Independent Directors • Appointment and Cessation of Independent Directors • Familiarisation of Independent Directors • Declaration from Independent Director that he/she meets the criteria of independence are placed at the meeting of Board of Directors • Directors and Officers insurance for all the Independent Directors
12	Obligations with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters	26	Yes	• Memberships/Chairmanships in Committees • Affirmation on compliance with Code of Conduct by Directors and Senior Management • Disclosures by Senior Management about potential conflicts of interest • No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter

Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/ N.A.	Key Compliance Observed
13	Other Corporate Governance requirements	27	Yes	• Compliance with discretionary requirements • Filing of quarterly, half-yearly and yearly compliance report on Corporate Governance
14	Website	46(2)(b) to 2(i)	Yes	• Terms and conditions of appointment of Independent Directors • Composition of various Committees of the Board of Directors • Code of Conduct of Board of Directors and Senior Management Personnel • Details of establishment of Vigil Mechanism/Whistle-blower policy • Criteria of making payments to Non-Executive Directors • Policy on dealing with related party transactions • Policy for determining material subsidiaries • Details of familiarisation programmes imparted to Independent Directors

Compliance Certificate from Secretarial Auditor regarding compliance of conditions of Corporate Governance

A certificate from M/s. S. N. Ananthasubramanian & Co., Company Secretaries, regarding compliance of conditions of Corporate Governance forms part of this Annual Report as **Annexure - III.**

Disclosure in relation to recommendation made by any Committee which was not accepted by the Board

There was no instance during the FY 2025-26, where the Board of Directors of the Company has not accepted any recommendations, if any, of its Committees.

Various policies and the weblinks of respective policies adopted by your Company which are in accordance with the provisions of the Act and Listing Regulations:

Particulars	Website Links
Vigil Mechanism / Whistle-blower Policy	Vigil Mechanism/Whistle-blower Policy
Terms & Conditions of Appointment of Independent Directors	Terms & Conditions of Appointment of Independent Directors
Risk Management Policy	Risk Management Policy
Remuneration Policy for Directors, Key Managerial Personnel and other Employees	Remuneration Policy for Directors, Key Managerial Personnel and other Employees
Related Party Transaction Policy	Related Party Transaction Policy
Policy for Succession Planning for the Board & Senior Management	Policy for Succession Planning for the Board & Senior Management
Policy on Board Diversity	Policy on Board Diversity
Policy on Material Subsidiaries	Policy on Material Subsidiaries
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	Code of Practices and Procedures for fair disclosure of UPSI
Induction and Familiarisation Programme for Independent Director	Induction and Familiarisation Programme for Independent Director
Dividend Distribution Policy	Dividend Distribution Policy
Policy for Determining Materiality of Events and Information	Policy for Determining Materiality of Events and Information
Code of Conduct for Board and Senior Management	Code of Conduct for Board and Senior Management

Particulars	Website Links
Board of Directors' Evaluation Framework	Board of Directors' Evaluation Framework
Policy for Archival of Documents	Policy for Archival of Documents
Policy for Preservation of documents	Policy for Preservation of documents
Nykaa Health, Safety and Environment Policy	Nykaa Health, Safety and Environment Policy
Corporate Social Responsibility Policy	Corporate Social Responsibility Policy
Anti-Corruption & Anti-Bribery Policy	Anti-Corruption & Anti-Bribery Policy

For and on behalf of the Board of Directors
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, Managing Director & CEO
DIN: 00003633

Place : Mumbai
Date : May 21, 2026

Annexure – II(A)

DECLARATION ON ADHERENCE TO THE CODE OF CONDUCT

To

The Members of FSN E-Commerce Ventures Limited

I hereby confirm that pursuant to the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2026.

For and on behalf of the Board of Directors
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, Managing Director & CEO
DIN: 00003633

Place : Mumbai
Date : May 21, 2026

Annexure – II(B)

CEO AND CFO CERTIFICATION

To
The Board of Directors ('Board')
FSN E-Commerce Ventures Limited
104 Vasan Udyog Bhavan, Sun Mill Compound,
Tulsi Pipe Road, Lower Parel,
Mumbai – 400 013

Sub : Compliance Certificate as required under Regulation 17(8) read with Regulation 33(2)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the quarter and financial year ended March 31, 2026 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) 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 financial year ended March 31, 2026 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, that there were no deficiencies in the design or operation of such internal controls of which we are aware.

D. We have indicated to the auditors and the Audit Committee:

   (i) that there were no significant changes in internal control over financial reporting during the financial year ended March 31, 2026;

   (ii) that there were no significant changes in accounting policies during the financial year ended March 31, 2026; and

   (iii) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, Managing Director & CEO
DIN: 00003633

P Ganesh
Chief Financial Officer

Place : Mumbai
Date : May 21, 2026

Annexure – II(C)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
FSN E-Commerce Ventures Limited
CIN: L52600MH2012PLC230136
104 Vasan Udyog Bhavan,
Sun Mill Compound, Tulsi Pipe Road,
Lower Parel, Mumbai – 400013.

We have examined the following documents:

i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');

ii) Disclosure of concern or interests as required under Section 184 of the Act;
(Hereinafter referred to as 'relevant documents')

as submitted by the Directors of **FSN E-Commerce Ventures Limited** ("the Company") having its registered office at 104, Vasan Udyog Bhavan, Sun Mill Compound, Tulsi Pipe Road, Lower Parel, Mumbai – 400013, to the Board of Directors of the Company ("the Board") for the **Financial Year 2025-26 and Financial Year 2026-27** and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the **Financial Year ending 31st March, 2026** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1)	Ms. Falguni Nayar	00003633	24-04-2012	–
2)	Mr. Milan Khakhar	00394065	28-09-2015	–
3)	Ms. Anita Ramachandran	00118188	12-10-2015	–
4)	Ms. Adwaita Nayar	07931382	22-01-2018	–
5)	Mr. Anchit Nayar	08351358	13-08-2019	–
6)	Mr. Sanjay Nayar	00002615	09-04-2021	–
7)	Mr. Pradeep Parameswaran	07206780	15-07-2021	–
8)	Mr. Milind Sarwate	00109854	15-07-2021	–
9)	Mr. Seshashayee Sridhara	09247644	26-07-2021	–
10)	Mr. Santosh Desai	01237902	15-07-2024	–
11)	Mr. Dipak Gupta	00004771	01-10-2025	–

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.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2026.

FOR S. N. ANANTHASUBRAMANIAN & CO.
Company Secretaries
ICSI Unique Code P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. VISWANATHAN
Managing Partner
FCS: 13685 | COP No.: 24335
ICSI UDIN: F013685H000424623
21st May, 2026 | Thane

Annexure – III

CORPORATE GOVERNANCE CERTIFICATE

[Pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
FSN E-Commerce Ventures Limited
CIN: L52600MH2012PLC230136
104, Vasan Udyog Bhavan,
Sun Mill Compound, Tulsi Pipe Road,
Lower Parel, Mumbai – 400013.

1. BACKGROUND

We have been engaged by **FSN E-Commerce Ventures Limited** ("the Company") to examine the compliance with the conditions of Corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, for the financial year ended on 31st March, 2026.

2. MANAGEMENT'S RESPONSIBILITY

The Compliance of conditions of Corporate Governance stipulated in the Listing Regulations is the responsibility of the management. The management shall devise adequate systems, internal controls and processes to monitor and ensure the same.

3. OUR RESPONSIBILITY

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. METHODOLOGY

4.1. In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.

4.2. Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Company to monitor and ensure compliance with the conditions of Corporate Governance and to certify thereon.

5. OPINION

Based on our aforesaid examination and the information, explanations, and representations provided by the management, we certify that, except for the matter stated below, the Company has complied with the conditions of Corporate Governance as stipulated under the Listing Regulations for the financial year ended March 31, 2026.

6. DISCLAIMER

6.1. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

6.2. This report is neither an assurance as to the future viability of the Bank/Company nor the efficiency or effectiveness with which the management has conducted the affairs.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Viswanathan
Managing Partner
FCS: 13685 | COP No.: 24335
ICSI UDIN: F013685H000424634
21st May, 2026 | Thane

Annexure – IV

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
FSN E-Commerce Ventures Limited
CIN: L52600MH2012PLC230136
104, Vasan Udyog Bhavan,
Sun Mill Compound, Tulsi Pipe Road,
Lower Parel, Mumbai – 400013.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FSN E-Commerce Ventures Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2026**, 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2026** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) 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 - **Applicable only to the extent of Foreign Direct Investment**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable as there was no reportable event during the financial year under review;**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client – **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review;**

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not Applicable as there was no reportable event during the financial year under review;**

(h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – **Not Applicable as there was no reportable event during the financial year under review;**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;

(vi) The Company has identified the following laws/rules as specifically applicable to the Company:

1. Consumer Protection Act 2019 with E-Commerce Rules 2020;
2. The Drugs and Cosmetics Act, 1940, with Rules, 1945 and The Cosmetics Rules, 2020;
3. BIS standard implementation;
4. Legal Metrology Act 2009 and Packaged Commodity Rules 2012;
5. Ministry of Environment and Forests – Central Pollution Control Board.

We have also examined compliance with the applicable provisions of the following:

(i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India – The Company has complied with the Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and Women Directors. Changes in the composition of the Board of Directors which took place during the period under review are in compliance with the provisions of the Act;
- Adequate notice is given to all Directors of the schedule of the Board and Committee Meetings and Agenda & detailed notes on agenda were sent at least seven days in advance and wherever necessary at shorter notice with the consent of all Directors and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting;
- All decisions of Board and Committee meetings were carried with requisite majority;

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary/ Chief Financial Officer and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following event has occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

The Board of Directors at their meeting held on 12th August, 2025 approved the acquisition of remaining 40% stake in Nudge Wellness Private Limited (Nudge), thus making Nudge a wholly-owned subsidiary of the Company. The acquisition was completed in the month of February, 2026.

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.

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Viswanathan

Managing Partner

FCS: 13685 | COP No.: 24335

ICSI UDIN: F013685H000424581

21st May, 2026 | Thane

Annexure – A

To,
The Members,
FSN E-Commerce Ventures Limited
CIN: L52600MH2012PLC230136
104, Vasan Udyog Bhavan,
Sun Mill Compound, Tulsi Pipe Road,
Lower Parel, Mumbai – 400013

Our Secretarial Audit Report for the **Financial Year ended 31st March, 2026**, of even date is to be read along with this letter.

MANAGEMENT'S RESPONSIBILITY

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

AUDITOR'S RESPONSIBILITY

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

DISCLAIMER

7. 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.
8. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Viswanathan
Managing Partner
FCS: 13685 | COP No.: 24335
ICSI UDIN: F013685H000424581
21st May, 2026 | Thane

Annexure – IV(A)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,
The Members,
Nykaa E- Retail Limited
104, Vasan Udyog Bhavan
S Bapat Road, Lower Parel,
Mumbai - 400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nykaa E- Retail Limited (CIN: U74999MH2017PLC291558) ("the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026, 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:

We have examined the books, papers, minute books, forms and returns filed and other records provided to us and maintained by the Company for the financial year ended on 31st March, 2026, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(Not applicable to the Company)

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under
(Not applicable to the Company)

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Not applicable to the Company)**

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company)**

(d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulation, 2021; **(Not applicable to the Company)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; **(Not applicable to the Company)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company)**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015; **(Not applicable to the Company) and**

(vi) Other laws as may be applicable specifically to the company

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **(Not applicable to the company)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, 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 at least seven days 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 by the directors.

All decisions at Board Meetings are carried out unanimously and recorded in the minutes of the meetings of the Board of Directors.

We further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

We further report that as per the explanations given to us and the representation made by the Management and relied upon by us, 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.

We further report that during the audit period, there was no other event/action having major bearing on the Company's affairs.

Place : Vashi, Navi Mumbai
Date : 19th May, 2026

Name of Firm: SAP & Associates
Company Secretaries

Name of the Partner: Prakash Shenoy
FCS No. 12625
CP No. 22619
PR No. 3269/2023
UDIN: F012625H000387604

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,
Nykaa E- Retail Limited
104, Vasan Udyog Bhavan
S Bapat Road, Lower Parel,
Mumbai - 400013

Re: Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions or corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test-check 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.

Place : Vashi, Navi Mumbai
Date : 19th May, 2026

Name of Firm: SAP & Associates
Company Secretaries

Name of the Partner: Prakash Shenoy
FCS No. 12625
CP No. 22619
PR No. 3269/2023

Annexure – IV(B)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,
The Members,
FSN BRANDS MARKETING PRIVATE LIMITED
A-1,135 Shah and Nahar Industrial Estate
Sitaram Jadhav Marg, Lower Parel, Delisle Road,
Mumbai, Maharashtra, India, 400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FSN BRANDS MARKETING PRIVATE LIMITED (CIN: U74120MH2015PTC262096) ("the Company").** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026, 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:

We have examined the books, papers, minute books, forms and returns filed and other records provided to us and maintained by the Company for the financial year ended on 31st March, 2026, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable to the Company)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under **(Not applicable to the Company)**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Not applicable to the Company)**

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company)**

(d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulation, 2021; **(Not applicable to the Company)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; **(Not applicable to the Company)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company)**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015; **(Not applicable to the Company)** and

(vi) Other laws as may be applicable specifically to the company

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **(Not applicable to the company)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, 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 at least seven days 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 by the directors.

All decisions at Board Meetings are carried out unanimously and recorded in the minutes of the meetings of the Board of Directors.

We further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

We further report that as per the explanations given to us and the representation made by the Management and relied upon by us, 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.

We further report that during the audit period, there was no other event/action having major bearing on the Company's affairs.

Place : Vashi, Navi Mumbai
Date : 18th May, 2026

Name of Firm: SAP & Associates
Company Secretaries

Name of the Partner: Prakash Shenoy
FCS No. 12625
CP No. 22619
PR No. 3269/2023
UDIN: F012625H000387331

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,
FSN BRANDS MARKETING PRIVATE LIMITED
A-1,135 Shah and Nahar Industrial Estate
Sitaram Jadhav Marg, Lower Parel, Delisl, eRoad,
Mumbai, Maharashtra, India, 400013

Re: Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions or corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test-check 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.

Place : Vashi, Navi Mumbai
Date : 18th May, 2026

Name of Firm: SAP & Associates
Company Secretaries

Name of the Partner: Prakash Shenoy
FCS No. 12625
CP No. 22619
PR No. 3269/2023

Annexure – V

PARTICULARS OF EMPLOYEES

[Disclosures required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of employees for the FY 2025-26; and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the FY 2025-26:

Sr. No.	Name	Designation	Remuneration for the FY 2025-26 (in ₹ Million)	Percentage increase/ (decrease) in Remuneration in the FY 2024-25	Ratio to Median Remuneration (in times)
Non-Executive Directors					
1.	Ms. Anita Ramachandran	Independent Director	3.55	42%	3.66
2.	Mr. Milind Sarwate	Independent Director	4.18	19%	4.30
3.	Mr. Pradeep Parameswaran[1]	Independent Director	0.30	(40%)	0.31
4.	Mr. Seshashayee Sridhara[2]	Independent Director	1.10	10%	1.13
5.	Mr. Santosh Desai	Independent Director	0.30	(85%)	0.31
6.	Mr. Dipak Gupta[3]	Independent Director	-	-	-
7.	Mr. Sanjay Nayar[3]	Non-Executive Director	-	-	-
8.	Mr. Milan Khakhar[4]	Non-Executive Director	-	-	-
Executive Directors					
9.	Ms. Falguni Nayar[5]	Executive Chairperson, Managing Director & Chief Executive Officer	7.40	(14%)	7.63
10.	Ms. Adwaita Nayar[6]	Executive Director	39.10	19%	40.31
11.	Mr. Anchit Nayar[7]	Executive Director	1.51	9%	1.56
Key Managerial Personnel					
12.	Mr. P. Ganesh	Chief Financial Officer	51.18	14%	52.76
13.	Mr. Neelabja Chakrabarty[8]	Company Secretary & Compliance Officer	9.99	Not Applicable	Not Applicable
14.	Dr. Chetan Sharma[9]	Company Secretary & Compliance Officer	3.53	Not Applicable	Not Applicable

Notes:

1. Additionally, commission of ₹ 3.15 million was paid by Nykaa E-Retail Limited to Mr. Pradeep Parameswaran. Accordingly, the total commission paid to Mr. Pradeep Parameswaran was ₹ 3.45 million, apart from the sitting fees.
2. Additionally, commission of ₹0.5 million and ₹ 2.2 million was paid by FSN Brands Marketing Private Limited and FSN International Limited respectively to Mr. Seshashayee Sridhara. Accordingly, the total commission paid to Mr. Seshashayee Sridhara was ₹ 3.8 million, apart from the sitting fees.
3. No commission or sitting fees was paid to Mr. Sanjay Nayar and Mr. Dipak Gupta for FY 2025-26.
4. No commission was paid to Mr. Milan Khakhar for FY 2025-26. Only sitting fees was paid to Mr. Milan Khakhar.
5. In addition to the above, Ms. Falguni Nayar had received ₹ 157.36 million as remuneration from Nykaa E-Retail Limited (100% Subsidiary of the Company). Accordingly, total earning for the FY 2025-26 was ₹ 164.77 million.
6. Ms. Adwaita Nayar is also the Managing Director and CEO of Nykaa Fashion Limited (100% Subsidiary of the Company). Hence, in addition to the above, Ms. Adwaita Nayar received ₹ 39.25 million as the remuneration from Nykaa Fashion Limited. Accordingly, total earning for FY 2025-26 was ₹ 78.35 million.
7. Mr. Anchit Nayar is also the Managing Director and CEO of Nykaa E-Retail Limited (100% Subsidiary of the Company). Hence, in addition to the above, Mr. Anchit Nayar received ₹ 76.85 million as the remuneration from Nykaa E-Retail Limited. Accordingly, total earning for FY 2025-26 was ₹ 78.35 million.
8. Mr. Neelabja Chakrabarty ceased to be the Company Secretary, Compliance Officer and Key Managerial Personnel w.e.f. September 30, 2025. Hence, the percentage increase in remuneration is not applicable.
9. Dr. Chetan Sharma was appointed as the Company Secretary, Compliance Officer & Key Managerial Personnel w.e.f. November 26, 2025. Hence, the percentage increase in remuneration is not applicable.
10. The remuneration paid to Mr. P. Ganesh and Mr. Neelabja Chakrabarty include ESOP perquisite value of ₹5.32 million and ₹0.38 million respectively.

2. **The percentage increase in the median remuneration of employees during the financial year**
   Median remuneration of the employees of the Company as at the end of the year under review was ₹ 0.97 million which was 1.21% higher than the previous year's median remuneration.

3. **The number of permanent employees on rolls of the company as on March 31, 2026: 535**

4. **Average percentile increase already made in 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:**
   The average percentage increase in the salary (includes fixed pay and performance bonus) of employees other than the managerial personnel in the last financial year is 7.65%. Managerial remuneration from the Company increased by 12.28% in the FY 2025-26.

5. **Affirmation that the remuneration is as per the remuneration policy of the Company**
   The Company affirms that the remuneration paid is as per the remuneration policy of the Company.

Place : Mumbai
Date : May 21, 2026

For and on behalf of the Board of Directors
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, Managing Director & CEO
DIN: 00003633

Annexure – VI

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2025-26

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

(1) BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The Board of Directors of the Company has approved Corporate Social Responsibility ("CSR") Policy in compliance with Section 135 of the Companies Act, 2013 and rules made thereunder, at its Meeting held on September 27, 2021.

The objective of CSR policy of the Company is to lay down the guidelines and mechanism to carry out CSR projects by the Company and its subsidiaries and to report its CSR efforts in the format provided by the rules under the Act.

The Company through its CSR projects aims to be a champion of authentic self-expression and one that inspires positive change. The philosophy centres around driving Empowerment and Inclusion for all. This includes the communities our business operates in, and the marginalised – socially and economically, as well as society at large. Nykaa's CSR projects seamlessly align with its social voice and business behaviour. Our intention and efforts will be to ensure programs that are meaningful, scalable, sustainable and timeless.

To build focus and have a more impactful execution – with a view to make a difference, the Company's focus areas for CSR are as follows:

- Skill & entrepreneurship development in the beauty care sector
- Education
- Support to research & technology
- Promote sports
- Healthcare
- Women empowerment
- Upliftment and mentoring of vulnerable communities
- Sustainability and environmental responsibility

Over and above these, from time to time, on need and criticality basis, the Company will review additional CSR activities which are prescribed under Schedule VII of the Companies Act 2013, such as:

- Contribution to Government's various Relief funds
- Support Armed forces welfare
- Protection of National heritage

The Company has been making consistent efforts over the years towards economic and social upliftment of the marginalised and vulnerable sections of society. It continually seeks ways to bring about an overall positive impact on the society wherein it operates. The Company implements its CSR initiatives through the Nykaa Foundation (Foundation), a Section 8 company established by the Company in June 2022.

The Company (along with the Foundation and its subsidiary companies) is involved in undertaking any or all of the permissible CSR activities set out in Schedule VII of the Companies Act 2013, in accordance with the applicable provisions of the Act, Companies (Corporate Social Responsibility Policy) Rules, 2014 and other applicable laws, as amended from time to time.

The projects undertaken by the Company (including those by its subsidiary companies in pursuant of the CSR obligations) through Nykaa Foundation, were as follows:

I. **NCAER:** In partnership with India's oldest and largest independent economic policy think tank, the National Council of Applied Economic Research (NCAER), Nykaa has launched a first-of-its-kind national study to assess women's social, economic and financial empowerment across India. The study's first phase spanned 11 states, reached 10000 women, and captured grassroots insights across diverse communities. The outcome of the study will be an index of women's empowerment and will help in measuring progress and identifying barriers to women's empowerment so that appropriate policies can be designed to overcome these barriers.

   Nykaa Entity: FSN E-Commerce Ventures Limited

II. **Beauty & Wellness Sector Skill Council (B&WSSC):** In a first-of-its-kind CSR initiative in Shillong and Gangtok, Nykaa, in partnership with the Beauty & Wellness Sector Skill Council (B&WSSC), launched a pilot program and trained 100 young women for the role of Assistant Beauty and Wellness Consultant (Retail Sales). The program equipped participants with industry-relevant technical and retail skills while also generating insights into local youth aspirations and their willingness to relocate to regions with higher demand for beauty and wellness retail professionals, supporting stronger workforce alignment.

   Nykaa Entity: FSN E-Commerce Ventures Limited

III. **Akanksha Foundation:** Nykaa has partnered with Akanksha Foundation to support a school in Pune, providing free, high-quality education

to 925 students from Jr. KG to Grade 10. The school primarily serves children from low-income families, many of whom are first-generation learners with parents engaged in daily wage work and limited educational backgrounds. By ensuring access to quality education and holistic development opportunities, the initiative aims to break the cycle of poverty and enable students to build brighter, more secure futures.

Nykaa Entity: FSN E-Commerce Ventures Limited

IV. **Rise Against Hunger India:** In alignment with Rise Against Hunger India's mission to end hunger and empower communities, Nykaa supported to prepare 53568 nutrient-rich meals. These fortified meals were distributed to underserved communities, helping combat malnutrition and food insecurity. This initiative contributes to immediate hunger relief while supporting long-term health and well-being for vulnerable populations.

Nykaa Entity: FSN E-Commerce Ventures Limited

V. **Create Foundation:** Nykaa supported the Basti Project of Create Foundation, an initiative focused on preventing violence against women and children while fostering positive gender attitudes within 750 local community members. The project uses Forum Theatre as an interactive medium, encouraging community participation where audiences — particularly men, suggest alternative outcomes and reflect on real-life behaviours. Supported by the involvement of public figures to enhance visibility, the initiative also includes follow-up visits and impact assessments, ensuring sustained community sensitization and long-term behavioural change at the grassroots level.

Nykaa Entity: FSN E-Commerce Ventures Limited

VI. **Sambhav Foundation:** Nykaa, in partnership with Sambhav Foundation, empowered 1522 women from low-income communities by training them as professional beauty service providers. Delivered across five fully-equipped centres in Bengaluru, Guwahati, Delhi, Navi Mumbai, and Kolkata, the five-month program combined technical training with on-the-job experience. Women participants were supported with job opportunities at local salons and freelancing opportunities. This initiative not only unlocked new career pathways for these women but also helped them move closer to financial independence and social inclusion.

Nykaa Entity: FSN E-Commerce Ventures Limited, FSN Brands Marketing Private Limited, Nykaa E-Retail Limited, Nykaa-KK Beauty Private Limited and Dot & Key Wellness Limited.

VII. **Delhi Council for Child Welfare (DCCW):** In partnership with DCCW, Nykaa is supporting 10 vocational training centres that are equipping 573 girls and young women from low-income communities with practical skills in Beauty & Wellness and Stitching trades. These year-long courses, delivered through daily two-hour sessions, are designed to foster employability and self-reliance — opening doors to dignified work, income generation, and a more empowered future.

Nykaa Entity: Nykaa E-Retail Limited

VIII. **Aatapi Seva Foundation:** In partnership with Aatapi Seva Foundation, Nykaa is empowering rural women to become beauty care entrepreneurs by combining technical training with financial literacy and business skills. This holistic approach builds capability and confidence, enabling women to launch and sustain their enterprises. In FY 2025-26, 100 women have transformed their aspirations into thriving, homegrown businesses and resilient livelihoods.

Nykaa Entity: Nykaa E-Retail Limited

IX. **Save The Children India (Vipla Foundation):** In partnership with Vipla Foundation, Nykaa supported 108 women under a pilot Entrepreneurship Development Program for women who are already freelancing or managing small beauty businesses from their homes or rented spaces. The program provided a comprehensive training curriculum that blends theoretical knowledge with intensive hands-on practical sessions, covering both basic and advanced beauty care services. It is designed to strengthen women participants' technical expertise, business management capabilities, customer engagement skills, and overall entrepreneurial confidence to help them scale their ventures sustainably.

Nykaa Entity: Nykaa E-Retail Limited

X. **Desai Foundation:** In partnership with the Desai Foundation, Nykaa has started a skill development project to nurture the entrepreneurial aspirations of women in semi-urban communities, beginning with a pilot in Navsari, Gujarat. The initiative equipped 135 women with the capabilities required to establish and manage their own beauty care businesses. The program includes a comprehensive three-month training curriculum, delivered through daily three-hour sessions, covering both basic and advanced beauty skills, along with practical exposure designed to build confidence, employability, and enterprise readiness.

Nykaa Entity: Nykaa E-Retail Limited

XI. **American India Foundation Trust:** Supported by Nykaa, the STEM SPARK Program is transforming STEM education in 30 government schools across

Nandurbar, an aspirational district in Maharashtra. By strengthening the capacity of teachers and introducing hands-on STEM Kits and Labs, the initiative is fostering engaging, inquiry-based learning for 4689 students – including 2362 girls. The program empowers young minds, especially girls in grades 6–8, to dream bigger and pursue pathways in science, technology, engineering, and math.

Nykaa Entity: Nykaa E-Retail Limited

XII. **Latika Roy Memorial Foundation:** Nykaa has partnered with Latika Foundation to create a state-of-the-art salon for children with sensory needs at the Foundation's purpose-built campus in Dehradun, designed with the concept of universal accessibility. This Diversity & Inclusion initiative not only provides essential beauty services but may also serve as a training centre for differently-abled youth enrolled in Latika Foundation's skilling programs. The project will directly impact 200 children.

Nykaa Entity: Nykaa E-Retail Limited

XIII. **Desai Foundation:** Nykaa, in partnership with Desai Foundation, has launched a new Beauty Skilling Program in Jaipur, further strengthening its commitment to empowering girls and women through structured skill development programmes. The program supported 150 women with a curated three-month training programme covering beauty therapy, makeup, and hair styling, designed to equip participants with industry-relevant technical skills. In addition to hands-on training, the program also provides livelihood and placement support, enabling participants to build sustainable careers in the beauty and wellness industry and move towards greater financial independence.

Nykaa Entity: Dot & Key Wellness Limited

XIV. **YouthNet:** In a first-of-its-kind CSR initiative in Nagaland, Nykaa, in partnership with YouthNet, the state's largest NGO, has launched a Beauty Skilling Program to empower young women with professional, industry-relevant beauty skills. The initiative focused on building technical proficiency, confidence, and workplace readiness – enabling 60 young women to pursue sustainable careers as skilled beauty professionals. By strengthening employability and income-generation opportunities, the program supports long-term economic independence and contributes to inclusive livelihood development in the region.

Nykaa Entity: Dot & Key Wellness Limited

XV. **Anushkaa Foundation:** Nykaa, in partnership with Anushkaa Foundation, is helping children with Clubfoot, walk confidently into a better future. Using the globally acclaimed Ponseti method, this initiative offers a cost-effective, two-phase treatment to children from rural and semi-urban low-income communities. In FY 2025-26, Nykaa supported the full treatment journey of 142 children, ensuring long-term mobility and a life free from physical and social limitations.

Nykaa Entity: Dot & Key Wellness Limited

XVI. **Indian Deaf Cricket Association (IDCA):** Nykaa has been a proud supporter of the Indian Deaf Cricket Association (IDCA), advancing the development, training, and recognition of differently abled athletes. In FY 2025-26, Nykaa served as the Principal Sponsor of the 3rd IDCA T10 Women's Deaf Premier League in Mumbai, empowering 250 women cricketers with professional training, competitive exposure, and a national platform to showcase their talent. This initiative reinforces Nykaa's commitment to promoting inclusivity, representation, and equal opportunities in sports for differently abled athletes.

Nykaa Entity: Nykaa-KK Beauty Private Limited

XVII. **Krida Vikas Sanstha (SlumSoccer):** For the fourth consecutive year, Nykaa partnered with Krida Vikas Sanstha (Slum Soccer) to empower underprivileged youth through the transformative power of sports. In FY 2025-26, Nykaa supported the training and development of athletes who went on to represent India at the Homeless World Cup in Oslo, Norway. By enabling access to structured sports training, mentorship, and competitive exposure, the initiative helps young athletes build confidence, life skills, and opportunities for social inclusion and personal growth.

Nykaa Entity: Nykaa-KK Beauty Private Limited

(2) COMPOSITION OF CORPORATE SOCIAL RESPONSIBILITY & ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE ("CSR & ESG COMMITTEE"):

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR & ESG Committee held during the year	Number of meetings of CSR & ESG Committee attended during the year
1.	Ms. Anita Ramachandran	Chairperson (Independent Director)	3	3
2.	Ms. Adwaita Nayar	Member (Executive Director)	3	3
3.	Mr. Sanjay Nayar	Member (Non-Executive Director)	3	2
4.	Mr. Dipak Gupta	Member (Independent Director)	-*	-*

*The Committee met 3 (three) times in the year on May 05, 2025, July 30, 2025 and November 06, 2025. However, Mr. Dipak Gupta was inducted as a Member of the Committee w.e.f. November 07, 2025 and hence he was not eligible to attend any of the meetings held during the FY 2025-26.

(3) WEB-LINK WHERE COMPOSITION OF CSR & ESG COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

Sr. No.	Particulars	Weblink
1.	CSR & ESG Committee	https://www.nykaa.com/committees-of-the-Board
2.	CSR Policy	https://www.nykaa.com/media/wysiwyg/2021/Investors-Relations/pdfs/10-11/CSR-Policy.pdf
3.	CSR Projects	https://www.nykaa.com/media/wysiwyg/uiTools/2025-11/CSR-Projects-Approved-by-the-Board-for-Financial-Year-2026.pdf

(4) EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014:

Not Applicable for the financial year under review.

(5)

Sr. No.	Particulars	Amount (in ₹)
(a)	Average net profit of the company as per sub-section (5) of section 135	85,64,72,647
(b)	Two percent of average net profit of the Company as per Section 135(5) of the Act	1,71,29,453
(c)	Surplus arising out of the CSR Projects or Programmes or activities of the previous financial years	Nil
(d)	Amount required to be set-off for the financial year	Nil
(e)	Total CSR obligation for the financial year (5b+5c-5d)	1,71,29,453

(6)

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 1,16,66,107 /-

(b) Amount spent in Administrative Overheads: ₹ 8,56,000 /-

(c) Amount spent on Impact Assessment: Not Applicable

(d) Total amount spent for the Financial Year [(a) +(b) +(c)]: ₹ 1,25,22,107 /-

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
1,25,22,107	46,08,000	22nd April, 2026	-	-	-

(f) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	1,71,29,453
(ii)	Total amount spent for the Financial Year	1,25,22,107
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

(7) DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sr. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6) of the Act (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) of the Act (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(5) of the Act			Amount remaining to be spent in succeeding Financial Years	Deficiency, If any
					Name of the Fund	Amount (in ₹)	Date of transfer		
1.	2024-25	74,30,000	35,92,729	Nil	-	-	-	35,92,729	Nil
2.	2023-24	76,45,000	-	76,45,000	-	-	-	-	Nil
3.	2022-23	*73,11,260	-	-	-	-	-	-	Nil

**Amount has been spent in the financial year 2023-24.*

(8) WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: No

(9) SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUBSECTION (5) OF SECTION 135:

The Company is implementing multi-year ongoing projects in collaboration with the National Council of Applied Economic Research (NCAER) and the Beauty & Wellness Sector Skill Council (B&WSSC). Due to the multi-year nature of these projects and the planned phased utilisation of funds, the amount related to these ongoing projects has been transferred to a separate Unspent CSR Account of the Company, in accordance with the provisions of Section 135 of the Companies Act, 2013. The said amount shall be utilised for the identified ongoing projects within the statutory timeline prescribed under the Act. Accordingly, the Company is in compliance with the requirements of Section 135 of the Companies Act, 2013, read with the applicable rules and its CSR Policy.

For and on behalf of the Board of Directors

FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, Managing Director & CEO
DIN: 00003633

Place : Mumbai
Date : May 21, 2026

Anita Ramachandran
Independent Director
DIN: 00118188
Chairperson – CSR & ESG Committee

Place : Mumbai
Date : May 21, 2026

Annexure – VII

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity**
   L52600MH2012PLC230136
2. **Name of the Listed Entity**
   FSN E-Commerce Ventures Limited
3. **Year of incorporation**
   April 24, 2012
4. **Registered office address**
   104, Vasan Udyog Bhavan, Sun Mill Compound, Tulsi Pipe Road, Lower Parel, Mumbai 400 013, Maharashtra, India.
5. **Corporate address**
   A2, 4th Floor, Cnergy IT Park, Appasaheb Marathe Marg, Opposite Tata Motors, Prabhadevi, Mumbai 400025, Maharashtra, India.
6. **E-mail**
   nykaacompanysecretary@nykaa.com
7. **Telephone**
   022-68389616
8. **Website**
   https://www.nykaa.com/
9. **Financial year for which reporting is being done**
   April 1, 2025 – March 31, 2026
10. **Name of the Stock Exchange(s) where shares are listed**
    - Bombay Stock Exchange Limited (BSE)
    - National Stock Exchange of India Limited (NSE)
11. **Paid-up Capital (as on 31st March, 2026)**
    - 2,86,32,27,356
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**
    Mr. P. Ganesh, CFO
    Email: nykaacompanysecretary@nykaa.com
    Tel: + 91 022 6838 9616
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**
    We have considered FSN E-Commerce Ventures Limited and its subsidiary Nykaa E-Retail Limited ('E-Retail') for the purpose of disclosures under this report, collectively referred to as 'Company' or 'Nykaa'.
14. **Name of assurance provider**
    TUV India Pvt.Ltd.
15. **Type of assurance obtained**
    Reasonable Assurance in line with ISAE 3000 (Revised)

II. Products/services

16. **Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Retail sale via e-commerce	The Company is engaged in the business of selling & distribution of beauty, fashion and wellness products on the online platforms or websites such as e-commerce, m-commerce, intranet, and offline channel such as Stores.	85%
2.	Marketing support and marketplace service		10%
3.	Wholesale of cosmetics, Fashion Apparels (Offline - Own Brands, Imported Brands, Other Brands)		5%

17. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Retail sale via e-commerce	52512	95%
2.	Wholesale of cosmetics, Fashion Apparels (Offline - Own Brands, Imported Brands, Other Brands)	51391	5%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not Applicable	75*	75
International		Not Applicable	

**Includes 31 Warehouses, 7 Office Clusters, and 37 Rapid Stores.*

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	Not Applicable

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil, the Company has a separate subsidiary (FSN International) which deals with exports.

c. A brief on types of customers

Nykaa leverages an omnichannel strategy encompassing e-commerce, mobile commerce, and physical retail to cater to the growing demand for beauty, fashion and personal care (BPC) products among tech-savvy consumers in India, with a particular focus on Gen Z and millennial demographics.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled) :

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1	Permanent (D)	2,028	1,360	67.06%	668	32.94%
2	Other than Permanent (E)	893	153	17.13%	740	82.87%
3	**Total employees (D + E)**	**2,921**	**1,513**	**51.80%**	**1,408**	**48.20%**
Workers						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	8,567	8,024	93.66%	543	6.34%
6	**Total workers (F + G)**	**8,567**	**8,024**	**93.66%**	**543**	**6.34%**

b. Differently abled Employees and Workers :

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	**Total differently abled employees (D + E)**	**-**	**-**	**-**	**-**	**-**
Differently abled workers						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	**Total differently abled workers (F + G)**	**-**	**-**	**-**	**-**	**-**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	3	27.27%
Key Management Personnel	5	2	40%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-2026			FY 2024-2025			FY 2023-2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29%	40%	32%	26%	38%	30%	26%	40%	31%
Permanent Workers	-	-	-	-	-	-	-	-	-

Turnover figures for the previous reporting period have been restated to align with the current year's reporting methodology and presentation, ensuring comparability across reporting periods.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / Subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated in column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Nykaa E-Retail Limited	Direct Subsidiary	100.00%	Yes
2	FSN Brands Marketing Private Limited	Direct Subsidiary	100.00%	No
3	Nykaa-KK Beauty Private Limited	Direct Subsidiary	51.00%	No
4	Nykaa Fashion Limited	Direct Subsidiary	100.00%	No
5	FSN International Limited	Direct Subsidiary	100.00%	No
6	FSN Distribution Limited	Direct Subsidiary	100.00%	No
7	Dot & Key Wellness Limited (formerly "Dot & Key Wellness Private Limited")	Direct Subsidiary	90.06%	No
8	Nudge Wellness Private Limited	Direct Subsidiary	100.00%	No
9	Earth Rhythm Private Limited	Direct Subsidiary	75.83%	No
10	Nykaa Essentials Private Limited	Direct Subsidiary	100.00%	No
11	Nykaa Foundation	Direct Subsidiary	100.00%	No
12	FSN Global FZE	Step down Subsidiary	100.00%	No
13	Nykaa International UK Limited	Step down Subsidiary	100.00%	No
14	Nessa International Holdings Limited	Step down Subsidiary	55.00%	No
15	Nysaa Beauty LLC	Step down Subsidiary	55.00%	No
16	Nysaa International for Wholesale and Retail Trade Co. SPC	Step down Subsidiary	55.00%	No
17	Nysaa Cosmetic Trading	Step down Subsidiary	55.00%	No
18	Nysaa Trading LLC	Step down Subsidiary	55.00%	No
19	Nysaa Cosmetics SPC	Step down Subsidiary	55.00%	No
20	Nysaa Distribution FZE	Step down Subsidiary	55.00%	No
21	Nysaa Beauty Bahrain WLL	Step down Subsidiary	55.00%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) – 78,489.90 INR Million

(iii) Net worth (in ₹) – 27,343.3 INR Million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2025-2026			FY 2024-2025		
	(If yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes*	0	0	-	0	0	-
Investors (other than shareholders)	Yes*	0	0	-	0	0	-
Shareholders	Yes*	0	0	-	0	0	-
Employees and Workers	Yes*	0	0	-	2	0	-
Customers	Yes* https://www.nykaa.com/privacy-policy/lp	5,879	0	All grievances have been resolved	6933	0	All grievances have been resolved
Value Chain Partners	Yes*	0	0	-	0	0	-
Others – Brand Partners	Yes*	0	0	-	0	0	-

**Vigil mechanism/ Whistle blower policy, all stakeholders can write mail to nykaa@tip-offs.in / whistleblower.employees@nykaa.com or call on toll free number 1800 210 8988 and anonymously raise actual or suspected concerns regarding incidents of wrongdoing, fraud or any unethical practices that violates Nykaa Code of Conduct*

#The Company policies are hosted on the website at https://www.nykaa.com/policies

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Products Quality and Safety	Risk & Opportunity	Product safety and quality are closely linked to customer trust, particularly in a business model that depends on third-party suppliers and partner manufacturers. This makes rigorous oversight of ingredients, formulations and finished products essential, as any lapse could lead to regulatory scrutiny and weaken customer confidence in the products offered on the platform. At the same time, consistent quality assurance enables Nykaa to strengthen its position as a trusted destination for authentic and high-quality products. By maintaining strong controls across sourcing, product evaluation and supplier requirements, the Company can reinforce reliability, deepen customer confidence and support lasting brand loyalty.	Nykaa safeguards product safety and quality through disciplined controls across sourcing, formulation, production and post-development validation. This includes responsible supplier selection, environmentally conscious formulations, manufacturing aligned with Good Manufacturing Practices, consumer testing, packaging choices with lower environmental impact and clearly defined supplier expectations, helping ensure that products offered across the platform are safe, dependable and consistently high in quality.	Negative & Positive
2.	Talent Attraction & Retention	Risk & Opportunity	Nykaa operates in a dynamic talent market characterised by high attrition and intense competition for skilled professionals. To address these challenges, Nykaa continues to strengthen its employee value proposition through focused learning and development programmes, employee engagement initiatives, and a strong employer brand. These efforts support the attraction, development, and retention of talent while fostering a high-performing workforce aligned with the Company's values and long-term business objectives, thereby contributing to sustainable growth.	Nykaa follows a strategic and structured approach to talent acquisition, with a focus on attracting experienced professionals across key business functions, including product development, technology, sales, digital marketing, brand management, omni-channel retail, customer experience, supply chain, operations, and corporate functions. The Company also continues to strengthen its leadership pipeline through the induction of experienced professionals into critical leadership roles. This approach enhances organisational capability, supports innovation and operational excellence, and enables the Company to effectively execute its long-term growth strategy.	Negative & Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Responsible Marketing & Customer Satisfaction	Risk & Opportunity	Exposure to customer-related risks may emerge from breakdowns in service delivery, non-compliant or inaccurate promotional messaging, and evolving legal obligations, including ASCI norms and consumer protection requirements. Yet, when managed effectively, these same areas can help Nykaa reinforce credibility, nurture stronger customer connections, and elevate brand affinity through clear communication, tailored engagement, and timely support.	Nykaa adopts an integrated multi-channel marketing approach that reduces dependence on any one medium while supporting compliance with labelling requirements. Ratings, reviews, and structured grievance and satisfaction tracking provide clear customer insights, while continuous monitoring of feedback helps identify improvement areas and align offerings more closely with customer expectations.	Negative & Positive
4.	Responsible Supply Chain	Risk & Opportunity	Nykaa's value chain remains sensitive to a range of external factors, including geopolitical developments, climate-related events, infrastructure limitations and rising sustainability expectations, each of which can influence operating performance, customer experience and brand perception. At the same time, a more resilient supply network, supported by responsible sourcing practices, can strengthen ESG performance, reduce environmental impact, deepen relationships with values-aligned suppliers and investors, and enhance the Company's overall market standing.	Nykaa's decentralised and locally anchored supply chain supports stronger inventory planning, greater logistics efficiency and a lower environmental footprint. By engaging MSMEs for packaging procurement and reinforcing human rights expectations across suppliers and partners through contractual provisions, the Company further strengthens the resilience and ethical stewardship of its supply chain.	Negative & Positive
5.	Data Privacy, Digitization and Innovation	Risk	Safeguarding customer information is essential to maintaining trust in a digital commerce environment. As an e-commerce platform that handles sensitive customer data, the Company remains mindful that any instance of unauthorised access, misuse or fraud could lead to financial implications, regulatory scrutiny and a decline in customer confidence.	Nykaa strengthens data security through advanced cybersecurity controls, supported by periodic internal and external technology assessments. The Company's processes and controls are ISO 27001 certified, while monitoring of high-risk activities, review of seller transaction histories and targeted fraud controls help mitigate misuse and protect customer information. Company-wide awareness initiatives further promote secure practices across the organisation, supporting stronger customer confidence in the platform.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Climate Change, GHG Emissions and Energy Efficiency	Risk & Opportunity	Climate-related disruptions, including extreme weather events, may affect operational continuity, while compliance with evolving emissions regulations could place additional pressure on operating costs. Improvements in energy efficiency can, however, support the deployment of advanced AI-enabled tools for inventory management and automation, helping enhance customer experience through faster deliveries while also improving logistics efficiency.	Nykaa is progressively incorporating renewable energy across our facilities while continuing to enhance both operational and energy efficiency.	Negative & Positive
7.	Packaging and Waste Management	Risk & Opportunity	Packaging and waste management remain important considerations in light of evolving regulatory requirements, environmental priorities and the reputational implications associated with unsustainable packaging practices. At the same time, this area presents a significant opportunity to advance sustainability through more responsible packaging choices and greater consumer participation in recycling, while also strengthening operational effectiveness and customer affinity.	Nykaa uses corrugated boxes made from recycled paper/ board for the tertiary packaging of its e-commerce shipments and sources packaging materials from suppliers that align with its environmental expectations. The Company's e-commerce packaging mix comprises recycled plastic and paper, with paper accounting for 90% of the external packaging and plastic comprising the remaining 10%. To address the plastic waste associated with the primary packaging of Nykaa's own brand products, Nykaa enables the recycling of an equivalent quantity through CPCB-registered recyclers and has remained compliant with Extended Producer Responsibility (EPR) requirements since 2021.	Negative & Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	• Anti-Corruption & Anti-Bribery Policy • Code of Conduct for Prevention of Insider Trading • Code Of Conduct • Whistle-Blower (Vigil-Mechanism) Policy (both versions) • Information Security Policies (such as Access Management Policy, Acceptable Usage Policy, Cryptographic Control Policy)	• Health, Safety, and Environment (HSE) Policy • Sustainable Sourcing Policy	• HR Security Policy • Human Rights Policy • Employee Referral Policy • Learning & Development Policy • Leave Policy, Maternity Policy, Time & Attendance Policy, Transfer Policy • Employee Grievance Redressal Policy • Prevention of Sexual Harassment Policy (PoSH) • Supplier Code of Conduct	• Code of Practices and Procedures for Fair Disclosure of UPSI • Whistle-Blower (Vigil-Mechanism) Policy	• Human Rights Policy • Prevention of Sexual Harassment Policy (PoSH) • Supplier Code of Conduct	• Health, Safety, and Environment (HSE) Policy	• Whistle-Blower (Vigil-Mechanism) Policy	• Corporate Social Responsibility Policy • Human Rights Policy	• Privacy Policy • Record Retention, Disposal, and Cardholder Information Privacy Policy
b. Has the policy been approved by the Board? (Yes/No)	Yes. Policies are approved by the Board where their review and approvals are required, other policies are reviewed and approved by the respective responsible functionaries.								
c. Web Link of the Policies, if available	Policies can be accessed on the link: https://www.nykaa.com/policies/lp and some internal policies as applicable to employees are available on our intranet.								
2. Whether the entity has translated the policy into procedures. (Yes / No)					Yes				
3. Do the enlisted policies extend to your value chain partners? (Yes/No)					Yes				

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		BIS CDSCO							Vegan and cruelty-free products- BUREAU VERITAS certified, PETA certification for Own Brands ISO 27001

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Nykaa's ESG approach is embedded within its governance framework and business processes, with strategic oversight provided by the Board-level CSR & ESG Committee. Through regular stakeholder engagement and periodic policy reviews, the Company identifies, assesses and addresses material environmental, social and governance matters. This approach is supported by a comprehensive policy framework covering sustainable sourcing, health, safety and environment, human rights, anti-bribery and anti-corruption, whistleblower protection, and data privacy, reflecting the Company's commitment to embedding responsible business practices across its operations and value chain.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	From an environmental perspective, the Company continued to advance initiatives focused on responsible packaging, waste management and resource efficiency. During the year, Nykaa ensured the responsible disposal of 151.3 metric tonnes of plastic waste through authorized recyclers while implementing measures to minimise waste generation across its operations. The Company also achieved 100% reuse of corrugated carton waste in its Private Label warehouses, reinforcing its circularity efforts. Under Project Aranyam, implemented through its supplier Pack8, Nykaa facilitated the plantation of 4,911 trees, which are estimated to sequester approximately 98,220 kilograms of carbon over their lifetime. In parallel, the Company invested in energy-efficient technologies across its offices and warehouses, progressively increased the adoption of renewable energy in a phased manner, and initiated the monitoring of Scope 3 greenhouse gas emissions from FY 2025–26. On the social front, Nykaa continued to strengthen its focus on workplace health and safety, employee wellbeing, human rights and inclusive community development. The Company's occupational health and safety management system extends across its workplaces, warehouses, logistics operations and associated activities. This is supported through comprehensive HSE audits, emergency response teams, periodic inspections, evacuation drills and regular safety training programmes. Employee wellbeing is further enhanced through a range of wellness initiatives, including teleconsultations with medical professionals, access to counselling services and other wellbeing programmes. Within the community, Nykaa continued to invest in programmes focused on women's skilling, economic empowerment and education. Through the Sambhav Foundation, the Company supports women from underserved communities by providing professional beauty training and placement assistance, enabling sustainable livelihood opportunities. Nykaa also partnered with the American India Foundation to support the STEM SPARK programme, which aims to strengthen teacher capacity and encourage girls from underserved communities to pursue education and careers in science, technology, engineering and mathematics (STEM). These initiatives reflect Nykaa's continued commitment to integrating ESG considerations into its governance, operational decision-making, value chain practices and community engagement, thereby creating long-term value for its stakeholders.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).

   At Nykaa, we recognise that environmental, social and governance (ESG) considerations are fundamental to building a resilient business, creating long-term stakeholder value and enabling responsible growth. As our business continues to expand, we remain conscious of the evolving challenges associated with responsible sourcing, product quality and safety, climate-related risks, packaging and waste management, data privacy, and the rising expectations of consumers, employees, investors and communities.

   Our response has been to further integrate ESG considerations into our governance framework, strategic decision-making and day-to-day operations. Oversight of ESG-related matters is provided by the Board-level CSR & ESG Committee, supported by structured stakeholder engagement and periodic policy reviews that help identify material issues, assess emerging risks and strengthen our management approach.

   During the year, we made meaningful progress in advancing our ESG priorities. We continued to strengthen responsible practices across our value chain, enhanced our focus on resource efficiency and sustainable packaging, expanded our environmental initiatives, reinforced workplace health, safety and employee wellbeing, and sustained our investment in programmes that promote women's empowerment, livelihoods and education. These efforts reflect our commitment to embedding responsible business practices across our operations while creating positive outcomes for the communities we serve.

   Looking ahead, we remain focused on strengthening ESG performance by improving environmental stewardship, advancing responsible sourcing and supply chain practices, enhancing climate-related disclosures and emissions management, fostering an inclusive and safe workplace, and creating lasting social impact. We believe that responsible business conduct is integral to Nykaa's long-term success, and we remain committed to driving sustainable and inclusive growth with transparency, accountability and integrity.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policies.

   The Board of Directors provides overall oversight of the Company's Business Responsibility and Sustainability agenda and establishes strategic priorities that support long-term value creation while aligning with Nykaa's sustainability commitments. The Board-level Corporate Social Responsibility and ESG ("CSR & ESG") Committee oversees the implementation and periodic review of the Company's ESG strategy, policies, initiatives and performance.

   To support effective implementation, Nykaa has constituted an ESG Core Committee comprising the Chief Financial Officer (CFO), Chief Human Resources Officer (CHRO), Chief Information Officer (CIO) and the ESG Lead. The Committee is responsible for driving the execution of ESG initiatives, monitoring progress against key priorities, facilitating cross-functional coordination, and reviewing ESG performance across the organisation.

   The ESG Lead oversees the day-to-day management and implementation of ESG initiatives, coordinates with business functions to drive execution, monitors ESG-related activities, and supports reporting and disclosure requirements. The ESG Core Committee periodically updates and presents progress, key developments and strategic recommendations to the Board-level CSR & ESG Committee for its oversight and guidance.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

   Yes, CSR & ESG Committee.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, the company's Board of Directors, alongside the Board-level Committees, including the Nomination and Remuneration Committee (NRC), Stakeholders' Relationship Committee, Audit Committee, Risk Management Committee, and CSR & ESG Committee, are diligently involved in governance matters.									Quarterly/Half yearly/Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the company adheres to all relevant statutory and regulatory mandates.																	

11 Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If "Yes", provide the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
We have an internal audit program that includes independent evaluations of key procedures and process to ensure alignment with the intent and requirements of our policies. These audits are conducted by external, independent firms during the year, helping to ensure that critical policy elements are thoroughly reviewed and effectively reinforced. Additionally, company has obtained ISO 27001 certification (Independent Assessor – Intertek) and has undergone a cyber security maturity assessment based on NIST CSF v2.0 by Deloitte.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)					Not applicable				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Regulatory updates and analysis of implication under the following topics: a) SEBI (Listing Regulations and Disclosure Requirements) 2015 b) SEBI (Prohibition of Insider Trading) Regulations, 2015 c) Related Party Transactions and disclosures d) Digital Personal Data Protection Rules, 2025 e) The new Labour Law Codes	100%
Key Managerial Personnel	5	Conducted awareness sessions for Designated Persons (DPs) covering SEBI (PIT) Regulations 2015, dealing with UPSI and compliances pertaining to Structured Digital Database (SDD).	100%
Employees other than BoD and KMPs	181	The employees at Nykaa are being trained in a diverse range of topics covering POSH, HSE, Employee Wellbeing sessions, Annual Awareness training, Code of Conduct, Annual security awareness training, digital marketing, data analytics, business strategy, leadership, project management, supply chain, UX/UI design, prompt engineering, BCM awareness, AI and machine learning, financial management, programming, and IT skills.	100%
Workers	98	Awareness training on POSH and Human Rights Policy, Emergency Response trainings, Road Safety trainings, Waste segregation & disposal trainings, awareness sessions on Water & Electricity management and conservation, awareness sessions on workplace safety incidents etc.	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement		Nil			
Compounding fee					

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment		Nil			

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. Nykaa has an Anti-Corruption and Anti-Bribery Policy that applies to all Directors, Officers, and Employees of the Company, including our subsidiaries and affiliates. It also extends to persons acting on the Company's behalf, including contractors and suppliers. Nykaa has conducted Code of Conduct refresher training, with employees formally acknowledging their understanding and adherence. In addition, employees are required to acknowledge the Code of Conduct during onboarding, which expressly includes anti-corruption and anti-bribery provisions. Nykaa also conducts annual training covering the Code of Conduct and POSH policy to reinforce awareness and continued compliance.

Web-link: https://www.nykaa.com/media/wysiwyg/2021/Investors-Relations/pdfs/10-11/Anti-Corruption-andAnti-Bribery-Policy.pdf

5. **Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2025-2026	FY 2024-2025
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. **Details of complaints with regard to conflict of interest:**

	FY 2025-2026		FY 2024-2025	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable, as no such cases were observed.

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2025-2026	FY 2024-2025
Number of days of accounts payables	41	35

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-2026	FY 2024-2025
Concentration of purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from	NIL	NIL
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NIL	NIL
Concentration of sales	a. Sales to dealers / distributors as % of total sales	6%	10%
	b. Number of dealers / distributors to whom sales are made	20,104	27,578
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	68%	71%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	17%	18%
	b. Sales (Sales to related parties / Total Sales)	3%	7%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	100%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nykaa periodically organises awareness programmes for selected value chain partners on a range of priority topics. These initiatives cover areas such as fire safety, emergency response protocols and road safety, with the objective of supporting a safe working environment. The Company also conducts sessions on POSH guidelines to encourage more inclusive workplaces, while sharing monthly updates to keep partners informed of relevant rules and regulatory requirements.		

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes. Nykaa has processes in place to identify and manage conflicts of interest involving members of the Board through our Code of Conduct for Board and Senior Management. The Code requires Leadership to act in the best interests of the Company, avoid situations where personal interests may conflict with Company interests, and refrain from deriving any direct or indirect personal advantage. Directors and Senior Management are also required to disclose actual or potential conflicts, including relationships with individuals, firms, or body corporates, at the time of appointment and whenever circumstances change. In addition, we maintain a zero-tolerance approach to bribery and corruption, periodically review Board effectiveness under our governance framework, and provide a dedicated reporting channel, speakup@nykaa.com, for raising such concerns. The complete Code of Conduct can be found on the Company's Investor Relations webpage: https://www.nykaa.com/media/wysiwyg/2021/Investors-Relations/pdfs/10-11/Code-of-Conduct-for-Board-and-Senior-Management.pdf

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2025-2026	FY 2024-2025	Details of improvement in environmental and social aspects
R&D	100%	100%	Amount spent on improving the formulation of Own Brands' products by incorporating non-hazardous and environmentally friendly ingredients
Capex	0.29%	0.24%	Amount spent on upgrading infrastructure at offices and warehouses with energy-efficient technologies to reduce electricity consumption and lower carbon emissions

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes, Nykaa does have procedures in place for sustainable sourcing.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   Nykaa has formally adopted a Sustainable Sourcing Policy to embed ESG considerations across our procurement and supply chain activities. The policy articulates the standards expected from business partners in areas including ethical business conduct, fair labour practices, safe working conditions and environmental responsibility.

   Business partners are further required to comply with the Supplier Code of Conduct. Nykaa's Supplier Code of Conduct expects business partners to comply with applicable laws and industry standards, uphold ethical business practices, protect labour and human rights, maintain safe and healthy workplaces, safeguard data and product quality, reduce environmental impact, and cascade these expectations across their own supply chains. Supplier commitment to adhere to the CoC is obtained during onboarding for non-trade vendors.

   To translate these commitments into practice, the Company is in the process of establishing mechanisms for ESG due diligence, partner evaluation and performance monitoring. Evaluations are to be undertaken through a Sustainable Supply Chain Questionnaire.

   Nykaa also works with supply chain partners to encourage the use of sustainable materials and the adoption of circularity practices. Taken together, these measures reflect a structured and transparent approach to responsible sourcing, anchored in continuous improvement.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Nykaa's retail-led operations generate limited product-related waste, primarily from expired or damaged goods. To ensure safe end-of-life handling, the Company partners with authorised vendors for disposal through incineration. Further, since April 2021, Nykaa has been compliant with Extended Producer Responsibility (EPR) guidelines. Plastic packaging waste arising from product shipments is also recycled through certified vendors.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Yes, Extended Producer Responsibility (EPR) is applicable to Nykaa's activities. Since April 2021, the Company has complied with EPR regulations and is registered with the Central Pollution Control Board (CPCB) as a "Brand Owner and Importer". To support implementation across states, Nykaa works with authorised CPCB-registered recyclers. Through these arrangements, the Company achieved our EPR targets for FY 2026 and completed all required annual filings on the EPR portal.

Leadership Indicators

1. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action taken
Nykaa's core business is retail, and the Company is not directly involved in manufacturing. However, we recognise the broader environmental and social responsibilities across the product lifecycle, from design and development to execution. Ethical sourcing remains a priority, with ingredients selected to reduce environmental impact. Product formulations are developed with eco-friendliness in mind, production follows Good Manufacturing Practices (GMP), and low-carbon footprint methods are encouraged. Environmentally friendly packaging materials are also prioritised. Product safety and quality are equally important. All products undergo rigorous safety and consumer testing to meet regulatory standards and ensure a positive user experience before launch. Nykaa's social responsibility is also reflected in our portfolio, which includes products free from parabens and mineral oils, follows cruelty-free practices, and features many vegan and naturally derived offerings. This approach demonstrates Nykaa's commitment to both environmental sustainability and social wellbeing.		

2. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2025-2026	FY 2024-2025
Not Applicable, as the Company is not directly involved in the business of manufacturing.		

3. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-2026			FY 2024-2025		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste (Expired products)	NA	NA	33.46[1]	NA	NA	4.89

[1]*Expired products are accumulated internally until they reach a defined threshold for disposal, which may cause variations in annual disposal volumes*

4. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable, as the Company is not directly involved in the business of manufacturing	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1360	1360	100%	1360	100%	-	-	1360	100%	Provision of day care facilities for all eligible locations is under review	
Female	668	668	100%	668	100%	668	100%	-	-		
Total	**2028**	**2028**	**100%**	**2028**	**100%**	**668**	**32.93%**	**1360**	**67.06%**		
Other than Permanent employees											
Male	153	153	100%	-	-	-	-	-	-	-	-
Female	740	740	100%	-	-	-	-	-	-	-	-
Total	**893**	**893**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	Not Applicable										
Female											
Total	-										
Other than Permanent workers											
Male	8024	8024	100%	8024	100%	NA	NA	NA	NA	NA	NA
Female	543	543	100%	543	100%	543	100%	NA	NA	NA	NA
Total	**8567**	**8567**	**100%**	**8567**	**100%**	**543**	**6.34%**	**NA**	**NA**	**NA**	**NA**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2025-2026	FY 2024-2025
Cost incurred on well-being measures as a % of total revenue of the company	0.02%	0.03%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-2026			FY 2024-2025		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/Not Applicable)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/Not Applicable)
PF	100%	100%	Yes	100%	100.00%	Yes
Gratuity	100%	100%	Yes	100%	100.00%	Yes
ESI	0.00%	68.92%	Yes	0.15%	71.84%	Yes
Others – please Specify (Employee Compensation Policy as per Act)	-	31.08%	Yes	-	28.16%	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Nykaa is committed to ensuring that our workplaces are accessible and inclusive for all employees. Accessibility considerations are built into office design and ongoing improvements, so that employees have a comfortable and enabling experience at work. This approach is supported by Nykaa's Human Rights Policy, which reaffirms respect for human rights and highlights support for employees with disabilities through the provision of appropriate resources and facilities, in line with the Rights of Persons with Disabilities Act.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, Nykaa's approach to equal opportunity is reflected in our Code of Conduct, which upholds a strict zero-tolerance stance on discrimination across the value chain, including on the basis of gender, caste, colour, creed, disability, or any other unlawful ground. This commitment is further reinforced through Nykaa's Human Rights Policy, which emphasises the importance of equal opportunity and a workplace where every individual is treated fairly and has an equal chance to grow and succeed.

Nykaa also supports employees with disabilities by providing the resources needed for them to perform their roles effectively. Through these measures, Nykaa continues to strengthen a diverse and inclusive workplace culture built on respect and equal treatment for all.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00%	84.13%	-	-
Female	97.06%	65.00%	-	-
Total	**98.84%**	**79.52%**	**-**	**-**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, Nykaa has established multiple mechanisms to receive and address grievances raised by employees and workers, supported by a clear process for timely resolution. At the first level, employees are encouraged to raise concerns directly with their Reporting Manager or the relevant Head of Department. If the issue remains unresolved, it may be escalated to the Human Resources team for further review and action. In addition, Nykaa has put in place an independent third-party reporting facility, which allows employees to report concerns anonymously, if preferred. Nykaa also strengthens grievance redressal through periodic HR connects, where HR teams visit different workplace locations and engage directly with employees, creating additional opportunities to surface and resolve concerns. For specific issues, dedicated email-based channels are available: SpeakUp (speakup@nykaa.com) for ethics and compliance matters, POSH (Posh@nykaa.com) for reporting harassment or discrimination under the Prevention of Sexual Harassment Act, and the whistle-blower channel (nykaa@tip-offs.in) for reporting irregularities or other concerns.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-2026			FY 2024-2025		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	NIL			NIL		
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025-2026					FY 2024-2025				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill Upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	1360	1023	75.22%	984	72.35%	1327	910	68.57%	962	72.49%
Female	668	575	86.07%	492	73.65%	654	635	97.09%	507	77.52%
Total	**2028**	**1598**	**78.79%**	**1476**	**72.78%**	**1981**	**1545**	**78%**	**1469**	**74.15%**
Workers										
Male	8024	8024	100%	-	-	7626	7626	100%	-	-
Female	543	543	100%	-	-	472	472	100%	-	-
Total	**8567**	**8567**	**100%**	**-**	**-**	**8098**	**8098**	**100%**	**-**	**-**

9. Details of performance and career development reviews of employees and workers:

Benefits	FY 2025-2026			FY 2024-2025		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	1360	1144	84.12%	1327	1135	85.13%
Female	668	560	83.83%	654	534	81.65%
Total	2028	1704	84.02%	1981	1669	84.25%
Workers						
Male						
Female			NA			
Total						

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?**

Nykaa has implemented an occupational health and safety management system that extends across all operations, including offices, warehouses, fulfilment operations, logistics and associated activities. The system is guided by the Company's Health, Safety and Environment (HSE) Policy and is designed to protect employees, contract workers, customers, business partners, suppliers and visitors through preventive risk management, structured oversight and continuous improvement.

The system is supported by workplace safety infrastructure across facilities, including smoke detectors, sprinkler systems, fire hydrants and public address systems. Fire safety compliance is a mandatory requirement before any new workplace becomes operational. Preventive controls are further strengthened through periodic HSE, fire and electrical safety audits, workplace inspections and hazard assessments to enable timely identification and mitigation of potential risks.

Emergency preparedness forms an integral part of the system. Trained Emergency Response Teams, comprising first-aid and fire response personnel, are deployed across warehouse locations and conduct bi-monthly inspections, evacuation drills and mock drills in collaboration with certified agencies. Incident management is supported through HSE Single Points of Contact across locations and multiple reporting channels, including QR code-enabled reporting for incidents, near misses and unsafe conditions. These are investigated, reviewed periodically and used to drive corrective and preventive actions and organisational learning.

The system is also reinforced through employee capability building. All new employees undergo HSE induction, while contract personnel deployed at warehouses receive dedicated safety orientation before commencing work. Weekly HSE training sessions across warehouses and monthly safety training programmes across Rapid Stores cover key topics such as fire safety, electrical safety, emergency preparedness, hazard identification and risk assessment, safe material handling, ergonomics, PPE usage, incident reporting, waste management, water conservation and energy efficiency.

In addition, first-aid facilities are available across workplaces, employees have access to medical consultation and wellness support, and the Wellspring programme (the Company's employee wellbeing programme) extends preventive healthcare and well-being services to employees and their immediate family members. Together, these measures support a safe, resilient and health-conscious operating environment across the Company.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Nykaa remains focused on maintaining a safe and secure workplace for all employees. Given the nature of the Company's operations, exposure to hazardous materials is limited. During the year, no significant incidents or workplace accidents were reported.

To strengthen prevention and early action, workplace incidents are reviewed every month, enabling potential hazards to be identified and addressed in a timely manner. Recognising the importance of preventive action, Nykaa continues to advance workplace safety through ongoing improvements and sustained attention to this area.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. Yes/ No

Nykaa seeks to strengthen a workplace culture grounded in safety and open communication through an incident reporting mechanism deployed across all locations. Each site has a designated Health, Safety and Environment (HSE) Single Point of Contact (SPOC), to whom employees are encouraged to promptly report incidents, near misses and unsafe conditions.

To build familiarity with the process, the Company conducts regular training sessions for employees. In addition, QR codes have been placed across workplaces to enable quick reporting of near misses, unsafe conditions and unsafe acts through mobile devices. Together, these measures encourage active employee participation in maintaining a safe and healthy workplace environment.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

While Nykaa's operations are non-hazardous in nature and the Company does not maintain an on-site healthcare centre, employees and workers have access to non-occupational medical and healthcare support through a range of preventive and wellness-focused services.

First-aid facilities are available across all workplaces to ensure immediate medical assistance when needed. In addition, the Company has partnered with a qualified medical practitioner to provide timely medical consultation and guidance to employees whenever required.

Nykaa also extends healthcare and wellness support through Wellspring, our employee wellness programme developed in partnership with The Wellness Corner. The programme provides employees and their immediate family members with access to preventive healthcare services, teleconsultations with medical practitioners, mental health counselling, nutritional guidance, health assessments and wellness programmes through an integrated digital platform.

This is further complemented by discounted gym memberships, onsite wellness initiatives, counselling support, unlimited teleconsultations with doctors across multiple specialties, access to diet and therapist consultations, discounted in-clinic consultations and health tests, a 24/7 helpline and wellness content designed to support physical, mental and emotional well-being. Together, these measures help provide convenient, accessible and holistic non-occupational healthcare support to employees.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-2026	FY 2024-2025
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**Including in the contract workforce*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

Nykaa promotes workplace health and safety through an integrated model that combines preventive safeguards, response readiness, continuous learning and employee wellness support. Before any workplace becomes operational, fire safety compliance is completed as a mandatory requirement. Across offices, warehouses and related facilities, safety infrastructure such as smoke detectors, sprinkler systems, fire hydrants and public address systems is maintained to support day-to-day protection and preparedness. This is reinforced through periodic HSE, fire and electrical safety audits, workplace inspections and hazard assessments to identify risks early and enable timely mitigation.

Risk prevention is supported through regular Health, Safety and Environment (HSE) audits and ongoing hazard assessment so that emerging concerns can be identified early and addressed without delay. Preparedness at the site level is reinforced through trained Emergency Response Teams stationed across locations, including personnel for first aid and fire response, while emergency drills conducted with certified agencies across warehouses are used to evaluate and strengthen response capability. Immediate care is further supported through the placement of first-aid boxes across all workplaces.

To support timely action, each location has an HSE Single Point of Contact, and employees can report incidents, near misses and unsafe conditions through multiple channels, including QR code-enabled reporting. Reported concerns are investigated and reviewed periodically so that corrective and preventive actions can be implemented and lessons can be integrated into operations.

The Company also places strong emphasis on training, awareness and continual enhancement of safety practices. Every new employee undergoes HSE induction, all staff have access to online HSE learning modules, and regular training and awareness sessions are conducted to sustain knowledge and preparedness.

To bring consistency to implementation, standard guidelines have been defined for HSE training programmes and mock drills, while findings from drills and audits are used to identify gaps and improve safety practices over time. Alongside these measures, Nykaa has introduced a wellness programme that supports both physical and mental health, reflecting our broader focus on employees' overall well-being.

13. **Number of Complaints on the following made by employees and workers:**

Topic	FY 2025-2026			FY 2024-2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety	No			No		

14. **Assessments for the year:**

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100%
Working conditions	100%

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

No major workplace-related incidents were reported during the current year. Following a limited number of minor incidents, the Company implemented both corrective and preventive actions, including additional safety training and stronger safety awareness programmes across the workforce. Through these measures, Nykaa seeks to further lower the likelihood of future incidents.

Leadership Indicators

1. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   Nykaa secures statutory compliance from its value chain partners through several measures. All partners are contractually obligated to adhere to relevant agreements and legal requirements. Additionally, Nykaa conducts a partner compliance audit to check their statutory compliances. The Company conducts regular assessments to evaluate whether partners are meeting regulatory standards. In addition, Nykaa engages specialised third-party agencies to perform thorough compliance checks. Ongoing oversight by compliance partners further ensures that all statutory obligations are consistently met.

2. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose familymembers have been placed in suitable employment	
	FY 2025-2026	FY 2024-2025	FY 2025-2026	FY 2024-2025
Employees	None			
Workers				

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   At Nykaa, we believe that progress is a shared journey. Guided by our Stakeholder's Relationship Committee, we maintain a culture of transparency and active engagement. To ensure we are listening to the right voices, we identify our partners based on three key pillars:

   Dependence: Supporting those who rely on our products and services.

   Interdependence: Strengthening the entities that help us function effectively.

   Influence: Engaging with those who shape our strategic and operational path.

   Our purpose extends far beyond commerce. We are deeply committed to social responsibility, focusing our efforts on uplifting vulnerable and marginalized communities. By providing mentorship, improving healthcare access, and championing equitable education, we turn our commitment into action - nurturing the diverse relationships that make inclusive growth possible for everyone.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, noticeboards, meetings, townhalls and internal portals (HRMS)	Regularly	We are committed to fostering a high-performance culture rooted in transparency, continuous learning, and employee well-being: **Strategic Talent Management:** Driving career progression through internal mobility, structured performance reviews, and skill development via specialized learning portals and leadership programs. **Engagement & Recognition:** Cultivating an inspired workforce through the "Chairperson's Award," annual engagement surveys, and regular town halls that build trust and alignment. **Holistic Well-being & Growth:** Prioritizing the "whole employee" through health camps, mental health support, and interactive workshops designed to enhance both professional capability and personal resilience. **Governance & Feedback:** Ensuring an open-door culture through robust whistle-blowing mechanisms and dedicated one-on-one communication channels, empowering employees to directly influence process and policy improvements.
Vendors/ Value Chain Partners/ Brand Partners	No	Emails, notice boards, calls and meetings, management reviews, and relationship meetings	Regularly	We drive sustainable growth through a rigorous approach to supply chain management and collaborative business development: **End-to-End Vendor Management:** Streamlining the lifecycle from selection and onboarding to work execution, automated invoicing, and timely payments to facilitate seamless business scaling. **Strategic Growth & Branding:** Cultivating high-impact brand partnerships and innovative customer acquisition strategies to expand market presence. **Operational Alignment:** Conducting structured performance reviews and leadership meetings to resolve operational bottlenecks and align on strategic goals. **Quality Assurance & Compliance:** Maintaining uncompromising standards through regular third-party audits of supplier facilities and formal feedback loops to drive continuous process improvement.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, email, newsletters, brochures, social media platforms, helpline, and store visits, events and campaigns, product sampling	Regularly	Our consumer-centric strategy focuses on driving growth and loyalty through the following initiatives: **Continuous Improvement:** Proactively identifying opportunities to enhance product quality and service delivery based on market insights. **Dynamic Social Engagement:** Leveraging influencer collaborations and real-time updates on social platforms to foster brand advocacy and maintain a transparent dialogue with our community. **Robust Redressal Mechanisms:** Strengthening customer retention by streamlining grievance redressal through our dedicated helpline to ensure a seamless end-to-end experience. **Market Development:** Accelerating consumer adoption through targeted product trials and rigorous testing to ensure market fit and satisfaction.
Shareholders / Investors	No	Website, email, newsletters, advertisements and portals of regulatory bodies	Quarterly	- Annual General Meeting - Quarterly Earnings Call - Annual Investor Day - Investor and Analyst Meetings and Conferences - Engagement via emails
Regulatory bodies like SEBI, NSE, BSE and MCA	No	Respective portal for regulatory filing	Regularly	We maintain the highest standards of corporate governance and investor communication through disciplined financial reporting: **Comprehensive Financial Reporting:** Ensuring the integrity and accuracy of our financial statements and performance results to provide a clear view of our fiscal health. **Proactive Investor Communication:** Delivering timely press releases and detailed performance updates to keep the investment community and other stakeholders informed. **Statutory Compliance:** Adhering to all applicable laws and regulatory frameworks through the meticulous filing of mandatory disclosures with governing bodies.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities and NGOs/ Implementation Agencies	Yes	Various collaborations with NGOs, direct consultations, field-visits & trainings, digital platforms, volunteering work, including e-volunteering, reviewing programme achievements and impacts	Regularly	We are dedicated to fostering a positive societal footprint through strategic community investment and rigorous ethical oversight: **Inclusive Community Development:** Actively engaging with underprivileged and local communities to address systemic gaps through high-impact programs centered on education, vocational upskilling, and the promotion of entrepreneurship. **Strategic ESG Oversight:** Ensuring board-level accountability through regular meetings of the ESG Committee, comprising Independent Directors, to steer our sustainability roadmap. **Materiality & Impact:** Utilizing a robust ESG materiality process to identify and prioritize the social and environmental issues most relevant to our stakeholders, ensuring that our initiatives drive equitable and long-term growth.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Nykaa's commitment to CSR & ESG is anchored through a dedicated committee at the Board level. This committee adopts a consultative and inclusive approach in steering CSR programmes and considering material economic, environmental and social matters. The Company works in close coordination with NGOs, which submit periodic progress updates incorporating observations from site visits undertaken by Nykaa's CSR team as well as feedback received from local stakeholders. These inputs, together with any emerging concerns, are placed before the Board for review, thereby supporting informed decision-making and effective oversight.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Nykaa engages actively with stakeholders to support the identification and management of material environmental and social issues. Through continued dialogue with NGO partners, community members and beneficiaries, the Company gathers insights into stakeholder needs and emerging concerns. These inputs help inform and shape Nykaa's CSR & ESG priorities.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   Nykaa engages with vulnerable and marginalised groups through partnerships with NGOs and community-based organisations. These interventions begin with detailed needs assessments to identify community-specific challenges and shape focused empowerment programmes. These efforts are directed toward skill-building, financial independence and social inclusion, while responding to issues such as low employability, educational gaps and socio-economic exclusion.

   Through its partnership with Sambhav Foundation, the Company supports women from low-income communities by providing professional beauty training along with job placement assistance to help strengthen their economic independence. In addition to vocational interventions, Nykaa extends support to inclusive programmes in education, sports and entrepreneurship.

During the year, the Company partnered with the American India Foundation Trust (AIFT) to undertake an initiative in an aspirational district of Maharashtra aimed at building teacher capacity and advancing STEM education, thereby addressing educational disparities in underserved areas. This structured, community-first approach enables Nykaa to remain consistently engaged with marginalised stakeholders and incorporate their perspectives into its CSR framework, while addressing immediate concerns and supporting sustained social and economic empowerment.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-2026			FY 2024-2025		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	2028	2028	100%	1981	1981	100%
Other than permanent	893	893	100%	912	912	100%
Total Employees	**2921**	**2921**	**100%**	**2893**	**2893**	**100%**
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	8567	8567	100%	8098	1604	19.81%
Total Workers	**8567**	**8567**	**100%**	**8098**	**1604**	**19.81%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-2026					FY 2024-2025				
	Total (A)	Equal Minimum Wage	to	More than Minimum Wage		Total (D)	Equal Minimum Wage	To	More than Minimum Wage	
		No.(B)	% (B / A)	No. (C)	% (C /A)		No.(E)	% (E / D)	No. (F)	% (F / D)
Employees Permanent										
Male	1360	-	-	1360	100%	1327	-	-	1327	100%
Female	668	-	-	668	100%	654	-	-	654	100%
Other than Permanent										
Male					NA*					
Female										
Workers Permanent										
Male					NA*					
Female										
Other than Permanent										
Male	8024	29	0.36%	7995	99.64%	7626	4	0.05%	7622	99.95%
Female	543	1	0.18%	542	99.82%	472	1	0.21%	471	99.79%

**Other than Permanent category consists of fixed term contractors (FTCs) and interns. The professional fees / stipends paid to them are not comparable to the salaries paid to employees.*

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors	8	Refer Board's report	3	Refer Board's report
Key Managerial Personnel	3	Refer Board's report	2	Refer Board's report
Employees Other than BoD and KMP	1357	10.67 Lacs	666	8.80 Lacs
Workers	8024	2.11 Lacs	543	1.96 Lacs

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-2026	FY 2024-2025
Gross wages paid to females as % of total wages	22.52%	21.77%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Our Human Resource (HR) department assumes the responsibility for addressing human rights concerns and issues. Additionally, a dedicated POSH Committee handles matters related to harassment, ensuring a safe and respectful work environment for all employees.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Nykaa's Human Rights Policy establishes the Company's position on key workplace and labour matters, including equal treatment, prohibition of child labour, employee wellbeing and safety, and the maintenance of a workplace free from harassment. Concerns relating to these areas may be reported by employees through specified channels such as speakup@nykaa.com and Posh@nykaa.com, with defined processes available for appropriate escalation and timely closure.

The Company further maintains a Whistleblower Policy under which employees and other stakeholders may confidentially and anonymously report suspected fraud, unethical behaviour or other instances of misconduct through nykaa@tip-offs.in or the toll-free helpline at 1800 210 8988. Together, these mechanisms support Nykaa's ethics framework by enabling protected reporting through secure channels and helping ensure that concerns may be raised without retaliation.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2025-2026			FY 2024-2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	-	-	NA	1	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child labour	-	-	NA	-	-	NA
Forced labour/ involuntary labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2025-2026	FY 2024-2025
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees / workers	0	0.05%
Complaints on POSH upheld	0	1

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Nykaa is committed to maintaining an environment in which employees and business partners are able to voice concerns, share views and report issues without apprehension of reprisal. The Company does not permit retaliatory or adverse action against any individual who raises a concern in good faith.

To support this commitment, Nykaa has put in place multiple reporting avenues, including a whistle-blower helpline operated by an independent third party to preserve impartiality, transparency and confidentiality during the review process. These arrangements are designed to encourage openness and provide a secure channel for grievance reporting, while strengthening the Company's standards of ethics and accountability.

Nykaa also seeks to ensure that complaints are managed confidentially and addressed within an appropriate timeframe, thereby supporting those who speak up and reinforcing a culture of trust and integrity.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Nykaa incorporates human rights, ethical business practices, and statutory compliance into its vendor onboarding process to ensure that all business and vendor partners adhere to these principles. Business agreements include specific clauses requiring partners to comply with standards related to employee qualifications, working hours, safety training, emergency preparedness, and overall workplace safety. For long-term contractors, Nykaa conducts periodic audits to verify ongoing compliance with these requirements.

10. **Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/ involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

No case reported.

Leadership Indicators

1. **Details of the scope and coverage of any Human rights due diligence conducted.**

Nykaa remains committed to the protection and respect of human rights within our operations by regularly conducting assessments focused on critical areas such as labour practices, child labour prevention, equal pay for equal work, and non-discrimination. These assessments also include a process for identifying and remedying any human rights violations that are discovered.

2. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Nykaa continues to strengthen accessibility across office spaces and newly developed warehouse facilities with the aim of creating a positive experience for all. This commitment is reflected in ongoing infrastructure improvements and continued efforts to align facilities with applicable accessibility standards. The Company's Human Rights Policy also affirms our commitment to complying with the standards prescribed under the Rights of Persons with Disabilities Act.

3. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour Forced/ involuntary labour Sexual harassment Discrimination at workplace Wages Others – please specify	Several key initiatives are in place to promote responsible behaviour by suppliers/vendors: • **Vendor Assessments:** The supply chain team conducts periodic on-site visits to all contract manufacturing and packaging vendors, verifying adherence to safe and healthy working conditions. • **Child Labour Prevention:** Central HR and warehouse team undertakes KYC verification to mitigate child labour risks.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	**FY 2025 – 2026 (GJ)**	**FY 2024 – 2025 (GJ)**
From renewable sources		
Total electricity consumption (A)	940.74	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**940.74**	**0**
From non-renewable sources		
Total electricity consumption (D)	26,276.50	24,197.49
Total fuel consumption (E)	4710.35	4,315.18
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	**30,986.85**	**28,512.67**
Total energy consumed (A+B+C+D+E+F)	**31,927.59**	**28,512.67**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/INR Million)	0.41	0.43
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/USD Million)	8.27	8.82

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

2. **Does the entity have any sites / facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? [Yes/No] If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable, as we are not an energy-intensive industry as outlined under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025 – 2026	FY 2024 – 2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	62,602.76	57,664.27
(iii) Third party water (tanker)	1,055	1,075
(iv) Seawater / desalinated water	0	0
(v) Others (municipal supply system)	21,404.58	20,130.37
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**85,062.35**	**78,869.64**
Total volume of water consumption (in kilolitres)	85,062.35	78,869.64
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (KL/INR Million)	1.08	1.18
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (KL/USD Million)*	22.04	24.40

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.*

The Company has installed water meters at almost all locations leading to the more accurate measurement of water consumption.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency – Yes, Reasonable Assurance from TUV India Pvt.Ltd.

4. **Provide the following details related to water discharged:**

Parameter	FY 2025 – 2026	FY 2024 – 2025
Water discharge by destination and level of treatment (in kilolitres)	At Nykaa offices and warehouses, the water consumed is only for 'Domestic purpose' and not for manufacturing of goods and services. Therefore the information is not collated on water discharge.	
(i) To Surface water		
– No treatment		
– With treatment – please specify level of treatment		
(ii) To Groundwater		
– No treatment		
– With treatment – please specify level of treatment		
(iii) To Seawater		
– No treatment		
– With treatment – please specify level of treatment		
(iv) Sent to third parties		
– No treatment		
– With treatment – please specify level of treatment		
(v) Others		
– No treatment		
– With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No
If yes, name of the external agency. Not Applicable

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Not applicable for Nykaa as the company does not manufacture any products and water is solely used for domestic consumption.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025-2026	FY 2024-2025
NOx		Air emissions are not applicable for Nykaa since our operations include only offices and warehouses. Diesel generators are utilised in the warehouses, however only as a back-up power source. Nevertheless, we closely monitor our generator usage to further reduce our fuel consumption.	
SOx			
Particulate matter (PM)			
Persistentorganic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/ No If yes, name of the external agency.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025 – 2026	FY 2024 – 2025
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	$MTCO_2e$	388.14	386.01
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	$MTCO_2e$	5182.31	4,886.55
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	$MTCO_2e$ / INR Million	0.07	0.08
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*	$MTCO_2e$ / USD Million	1.34	1.51

**The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency. – Yes, Reasonable Assurance from TUV India Pvt.Ltd.

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

The Company has adopted renewable energy in 7 locations. Additional suitable locations have been identified for incorporating renewable energy and will be made operational in a phased manner.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-2026	FY 2024-2025
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	151.30	159.73
E-waste **(B)**	2.09	3.04
Bio-medical waste **(C)**	NA	NA
Construction and demolition waste **(D)**	NA	NA
Battery waste **(E)**	0	0
Radioactive waste **(F)**	NA	NA
Other Hazardous waste. Please specify, if any. **(G)** (Expired products)	33.46[1,4]	4.89
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,447.30 (Carton Waste)	2,020.16 (Carton Waste)
Other Non-hazardous waste generated **(H).** Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	23.09 (Paper Waste, Wooden Pallet Waste)	10.98 (Paper Waste, Wooden Pallet Waste)
Total (A+B + C + D + E + F + G + H)	**2,657.25**	**2,198.81**

Parameter	FY 2025-2026	FY 2024-2025
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR Million)	0.03	0.03
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/USD Million)[2]	0.69	0.68
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	121.43[3] (Carton waste)	17.23 (Carton waste)
(iii) Other recovery operations	0	0
Total	**121.43**	**17.23**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration (Expired products disposed via incineration)	33.46[1,4]	4.89
(ii) Landfilling	0	0
(iii) Other disposal operations (Plastic waste disposed via third party vendors for recycling)	151.30	159.73
(Carton waste disposed via third party vendors for recycling, excludes the quantity that is re-used within the reporting boundary)	2,325.87	2,002.93
(Paper and Wooden waste disposed via third-party vendors for recycling)	23.09	10.98
(E-waste disposed vis third-party vendors for recycling)$_4$	2.09	3.04
Total	**2,535.81**	**2,181.57**

[1] *In line with the precautionary approach under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Nykaa disposes all expired products as hazardous waste, drawing reference to Schedule I, Item 28 (Production/formulation of drugs/pharmaceutical and health care products), which lists date-expired products as a possible source of hazardous waste. This conservative classification ensures that no hazardous waste arising from expired stock is undercounted or excluded from disposal and reporting obligations.*

[2] *The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by IMF for India which is 20.34.*

[3] *In an effort to minimise its waste footprint, the Company re-uses the carton waste generated within the premises of its Private Label and Distribution warehouses.*

[4] *E-waste and expired products are accumulated internally until they reach a defined threshold for disposal, which may cause variations in annual disposal volumes.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency – Yes, Reasonable Assurance from TUV India Pvt.Ltd.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Nykaa prioritises responsible waste management and chemical safety, but doesn't use, produce, or dispose of hazardous chemicals due to the nature of our business.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? Yes/ No If no, the reasons thereof and corrective action taken, if any.
Not applicable as Nykaa does not have operations in/around ecologically sensitive areas.*			

**A small section of the approach road to our warehouse at Baprour Village, Patiala (Punjab) passes through forest land. The landlord has obtained all necessary permissions in this regard.*

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable as none of Nykaa's projects require environmental impact assessments.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder Yes/ No. If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
Yes, Nykaa's operations/offices comply with applicable environmental law, regulations of the country and operate as per Consent to Operate conditions from the Central and State Pollution Control Boards. Further, no fine/penalty/action was initiated against the entity under any of the applicable environmental laws/regulation/guidelines.				

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area: Bengaluru, Gurgaon, Delhi, Haryana, Patna, Ghaziabad and Punjab.

   (ii) Nature of operations: Offices, Warehouses and Rapid Stores.

   (iii) Water withdrawal, consumption and discharge in the following format: At Nykaa offices and warehouses, the water consumed is only for 'domestic purpose' and not for manufacturing of goods and services. Therefore, water discharge is not applicable.

Parameter	FY 2025 – 2026	FY 2024 – 2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	19,764.22	20,353.31
(iii) Third party water (tanker)	1,055	1,075
(iv) Seawater / desalinated water	0	0
(v) Others (municipal supply system)	4,544.78	3,374.37
Total volume of water withdrawal (in kilolitres)	25,364.01	24,802.68
Total volume of water consumption (in kilolitres)	25,364.01	24,802.68
Water intensity per rupee of turnover (Water consumed / turnover)	0.32	0.37
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		

Parameter		FY 2025 – 2026	FY 2024 – 2025
(ii)	Into Groundwater	NA	NA
	- No treatment		
	- With treatment – please specify level of treatment		
(iii)	Into Seawater	NA	NA
	- No treatment		
	- With treatment – please specify level of treatment		
(iv)	Sent to third parties	NA	NA
	- No treatment		
	- With treatment – please specify level of treatment		
(v)	Others	NA	NA
	- No treatment		
	- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency – Yes, Reasonable Assurance from TUV India Pvt.Ltd.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-2026	FY 2024-2025
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	$MTCO_2e$	3,807.66	Not Available
Total Scope 3 emissions per rupee of turnover	$MTCO_2e$/INR Million	0.05	Not Available

**Nykaa has started monitoring its Scope 3 emissions from FY 2025-26. Emissions for the following categories have been reported – Category 2 (Capital Goods), Category 3 (Fuel-and-Energy Related Activities), Category 5 (Waste Generated in Operations), Category 6 (Business Travel).*

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable, as none of Nykaa's operations fall under ecologically sensitive zones.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Project Aranyam – Tree Plantation Initiative by our supplier Pack8	Under this programme, a tree is planted in Nykaa's name for each purchase of identified packaging variants. The initiative is being carried out by our packaging supplier in partnership with Grow-Trees.com and Grow Billion Trees, both of which work in the areas of reforestation and climate action.	4,911 trees planted in FY 2025–26. Estimated 98,220 kilograms of carbon sequestered upon maturity. Employment generated for local communities through nursery work, sapling transport, planting, and maintenance activities.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Nykaa has instituted a cloud-enabled Disaster Recovery Framework under which critical databases are backed up to the cloud every hour. To test the effectiveness of these arrangements, the Company undertakes disaster recovery drills twice each year to verify that the website can run seamlessly on the alternate system within the prescribed Recovery Time Objectives (RTOs). To support business operations during remote working situations, VPN access has also been extended to a majority of Nykaa users.

Nykaa has rolled out a group-level Business Continuity Management (BCM) programme in alignment with global standards. This has included carrying out Business Impact Analyses (BIAs) and Risk Assessments across key functions and processes, based on which functional-level Business Continuity Plans and a site-level Crisis Management Plan have been developed.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Nykaa incorporates Health, Safety and Environment (HSE) declarations into our business agreements, including provisions that permit termination in the event of non-compliance with these requirements. Waste generated at the Company's warehouses is entrusted to authorised vendors for safe disposal and recycling. To support audit and compliance requirements, Nykaa retains certificates evidencing proper waste handling practices. Together, these measures reflect the Company's commitment to environmental responsibility and support transparent and accountable waste management in alignment with our sustainability objectives.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

4

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	FICCI-Federation of Indian Chambers of Commerce and Industry	National
2	IBHA-Indian Beauty Health Association of India	National
3	CII-Confederation of Indian Industries	National
4	RAI-Retailers Association of India	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
No such cases observed in the reporting period.		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half Yearly/ Quarterly/ Others – please specify)	Web Link, if available
1	For regulatory compliance matters, Nykaa engaged with industry bodies such as FICCI, CII, IBHA and RAI. Through these associations, the Company participated in regulatory discussions on key sector issues, including labelling-related matters under Legal Metrology, challenges associated with the import of cosmetics, and broader industry concerns that were represented before the Ministry of Consumer Affairs.	With member of association representing industry POV and its comments in draft stage of regulatory documents	Yes	Annually	Association and regulatory authority links for new regulations and updates

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain. (Yes / No)	Relevant Web link
Not applicable for Nykaa as there was no Social Impact Assessment required to be conducted during FY 2025-26.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
During FY 2025-26, Nykaa has not undertaken any projects that require Rehabilitation and Resettlement (R&R).						

3. **Describe the mechanisms to receive and redress grievances of the community.**

Nykaa advances community development across our operating locations through ongoing engagement with key stakeholder groups, including local communities, NGOs and implementing partners, with the objective of understanding and addressing their concerns. Where any specific grievance is raised, the matter is recorded, examined in detail and resolved in a timely manner. To support this process, the Company has designated grievanceofficercs@nykaa.com as a dedicated channel for grievance redressal. Nykaa also enables stakeholders to report suspected wrongdoing under our Whistleblower Policy, which permits anonymous reporting of fraud, misconduct and unethical conduct through nykaa@tip-offs.in or via the toll-free helpline at 1800 210 8988.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Source	FY 2025 – 2026	FY 2024 – 2025
Directly sourced from MSMEs/ small producers	28%	24%
Directly from within India	99%	99%

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost.**

Source	FY 2025 – 2026	FY 2024 – 2025
Rural	0.03%	-
Semi-urban	0.26%	0.02%
Urban	16.10%	7.86%
Metropolitan	83.62%	92.12%
Total	**100%**	**100%**

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not applicable for Nykaa as there was no Social Impact Assessment required to be conducted during FY 2025-26.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S.No.	State	Aspirational District	Amount spent (in INR)
1.	Maharashtra	Nandurbar	34 lakhs

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No, Nykaa does not currently have a preferential procurement policy in place.

(b) From which marginalised /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable as Nykaa doesn't have any IPR based on traditional knowledge.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Name of authority	Brief of the case	Corrective action taken
Not applicable, as there are no adverse orders in intellectual property related disputes wherein the usage of traditional knowledge was involved.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Nykaa, in partnership with Sambhav Foundation, is empowering women from low-income communities by training them as professional beauty service providers. The five-month program was delivered across five fully equipped centres in Bangalore, Guwahati, Delhi, Kolkata, and Navi Mumbai, combining classroom-based technical training with on-the-job practical exposure. Participants were supported through placement linkages with local salons, while many also pursued freelance opportunities, enabling them to achieve greater financial independence, confidence, and long-term livelihood security.	1522	100%
2	In partnership with the Delhi Council for Child Welfare (DCCW), Nykaa is supporting 10 vocational training centres that equip girls and young women from low-income communities with practical skills in Beauty & Wellness and Stitching. Delivered through year-long courses conducted in daily two-hour sessions, the program focuses on building employability, technical proficiency, and confidence. By enabling access to market-relevant skills, the initiative opens pathways to dignified employment, sustainable income generation, and greater economic independence.	573	100%

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
3	With Nykaa's support, Aatapi Seva Foundation is empowering rural women to become beauty care entrepreneurs by integrating skill development with financial literacy and business training. Participants first receive foundational training in beauty services and then progress to advanced entrepreneurship modules focused on enterprise management, customer engagement, and income planning. By strengthening both technical expertise and business capabilities, the initiative enables women to build sustainable livelihoods, expand local enterprises, and move toward long-term economic independence and community leadership.	100	100%
4	In collaboration with the Desai Foundation, Nykaa has initiated a skill development project to nurture the entrepreneurial aspirations of women in semi-urban communities, beginning with a pilot in Navsari, Gujarat. The initiative equips participants with the capabilities required to establish and manage their own beauty care businesses. The program includes a comprehensive three-month training curriculum, delivered through daily three-hour sessions, covering both basic and advanced beauty skills, along with practical exposure designed to build confidence, employability, and enterprise readiness.	135	100%
5	In a first-of-its-kind CSR initiative in Shillong and Gangtok, Nykaa, in partnership with the Beauty & Wellness Sector Skill Council (B&WSSC), launched a pilot program to train young women for the role of Assistant Beauty and Wellness Consultant (Retail Sales). The program equipped participants with industry-relevant technical and retail skills while also generating insights into local youth aspirations and their willingness to relocate to regions with higher demand for beauty and wellness retail professionals, supporting stronger workforce alignment.	100	100%
6	Nykaa has partnered with Vipla Foundation to launch a pilot Entrepreneurship Development Program for women who are already freelancing or managing small beauty businesses from their homes or rented spaces. The program provides a comprehensive training curriculum that blends theoretical knowledge with intensive hands-on practical sessions, covering both basic and advanced beauty care services. It is designed to strengthen participants' technical expertise, business management capabilities, customer engagement skills, and overall entrepreneurial confidence to help them scale their ventures sustainably.	114	100%
7	In a first-of-its-kind CSR initiative in Nagaland, Nykaa, in partnership with YouthNet, the state's largest NGO, has launched a Beauty Skilling Program to empower young women with professional, industry-relevant beauty skills. The initiative focuses on building technical proficiency, confidence, and workplace readiness, enabling participants to pursue sustainable careers as skilled beauty professionals. By strengthening employability and income-generation opportunities, the program supports long-term economic independence and contributes to inclusive livelihood development in the region.	60	100%
8	The STEM SPARK Program, an initiative by the American India Foundation (AIF) supported by Nykaa, focuses on strengthening the capacity of government school teachers while encouraging girls in Grades 6—8 to pursue STEM education. Through the introduction of STEM kits and the establishment of STEM labs, the program enhances teaching methodologies and creates more engaging, hands-on learning environments across 30 government schools in the remote regions of Nandurbar, an aspirational district of Maharashtra.	4689	100%

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
9	Nykaa has partnered with the Akanksha Foundation to support a school in Pune, providing free, high-quality education to students from Jr. KG to Grade 10. The school primarily serves children from low-income families, many of whom are first-generation learners with parents engaged in daily wage work and limited educational backgrounds. By ensuring access to quality education and holistic development opportunities, the initiative aims to break the cycle of poverty and enable students to build brighter, more secure futures.	925	100%
10	For the fourth consecutive year, Nykaa partnered with Krida Vikas Sanstha (Slum Soccer) to empower underprivileged youth through the transformative power of sports. In FY 26, Nykaa supported the training and development of athletes who went on to represent India at the Homeless World Cup in Oslo, Norway (August 2025). By enabling access to structured sports training, mentorship, and competitive exposure, the initiative helps young athletes build confidence, life skills, and opportunities for social inclusion and personal growth.	16	100%
11	Nykaa has been a proud supporter of the Indian Deaf Cricket Association (IDCA), advancing the development, training, and recognition of differently abled athletes. In FY26, Nykaa served as the Principal Sponsor of the 3rd IDCA T10 Women's Deaf Premier League in Mumbai, empowering 250 women cricketers with professional training, competitive exposure, and a national platform to showcase their talent. This initiative reinforces Nykaa's commitment to promoting inclusivity, representation, and equal opportunities in sports for differently abled athletes.	250	100%
12	In partnership with the Anushkaa Foundation, Nykaa is supporting children with clubfoot to walk confidently toward healthier, more independent futures. The initiative uses the globally recognized Ponseti method, a cost-effective two-phase treatment that ensures early and effective correction, particularly for children from rural and semi-urban low-income communities. In FY26, Nykaa supported the complete treatment journey of 132 children, enabling long-term mobility, improved quality of life, and freedom from the physical and social limitations associated with untreated clubfoot.	142	100%
13	Nykaa supported the Basti Project of Create Foundation, an initiative focused on preventing violence against women and children while fostering positive gender attitudes within local communities. The project uses Forum Theatre as an interactive medium, encouraging community participation where audiences - particularly men, suggest alternative outcomes and reflect on real-life behaviours. Supported by the involvement of public figures to enhance visibility, the initiative also includes follow-up visits and impact assessments, ensuring sustained community sensitization and long-term behavioural change at the grassroots level.	750	100%
14	Nykaa, in partnership with Desai Foundation, has launched a new Beauty Skilling Project in Jaipur, further strengthening its commitment to empowering girls and women through structured skill development programmes. The project deliver a curated three-month training programme covering beauty therapy, makeup, and hair styling, designed to equip participants with industry-relevant technical skills. In addition to hands-on training, the programme also provides livelihood and placement support, enabling participants to build sustainable careers in the beauty and wellness industry and move towards greater financial independence.	150	100%

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
15	Rise Against Hunger India: In alignment with Rise Against Hunger India's mission to end hunger and empower communities, Nykaa supported to prepare 53,568 nutrient-rich meals. These fortified meals were distributed to underserved communities, helping combat malnutrition and food insecurity. This initiative contributes to immediate hunger relief while supporting long-term health and well-being for vulnerable populations.	422	100%
16	Nykaa has partnered with the Latika Roy Memorial Foundation to establish a state-of-the-art, universally accessible salon at the Foundation's purpose-built campus in Dehradun, specially designed to support children with sensory needs. As part of this Diversity & Inclusion initiative, the salon will provide essential beauty services while also functioning as a training centre for differently abled youth enrolled in the Foundation's skilling programmes. The project is expected to directly benefit 200 children, equipping them with employable skills and fostering a more inclusive future.	200	100%
17	In partnership with the National Council of Applied Economic Research (NCAER), India's oldest and largest independent non-profit economic policy research think tank, Nykaa has initiated a nationwide study to assess the social, economic, and financial empowerment of women. The first phase involves a ground-level sample survey across 11 states, generating insights that will culminate in the development of a Women's Empowerment Index. The findings will help measure progress, identify systemic barriers, and inform evidence-based policies and interventions to advance women's empowerment.	Work in progress and the ultimate output will be an index of empowerment of women, which will be a composite index of a few other subindices, like general education, banking and credit access, digital and technical skill, financial decision-making power, etc.	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Nykaa has put in place a structured and accessible framework to capture, track and address consumer complaints and feedback. To make escalation channels easy to access, the Company displays the contact details of our Grievance Officers and Nodal Officers, including their names, addresses, email IDs and phone numbers, across our e-commerce platforms and websites. In addition, every marketed product carries the registered office address, email ID and phone number of the marketing entity on its label for direct consumer reference.

Complaints raised through different channels are recorded in the system against unique ticket IDs to enable systematic tracking. The customer service team manages consumer interactions through a dedicated platform that automatically generates grievance tickets and monitors response as well as resolution timelines. Once an issue has been closed, customers are invited to share their views through satisfaction surveys, and the inputs received are used to strengthen service delivery.

Consumers are also kept informed of complaint status through email and/or calls, supporting transparency throughout the grievance redressal process. Collectively, these measures enable a timely, accountable and consumer-focused approach to complaint resolution and feedback management.

2. **Turnover of products and/ services as percentage of turnover from all products/services that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**Our products are labelled with instructions for appropriate usage and any necessary precautions to ensure safe and effective use.*

**Our products are labelled with the appropriate recycling symbols to guide consumers on proper disposal.*

3. **Number of consumer complaints in respect of the following:**

	FY 2025 - 2026			FY 2024 - 2025		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	NA	-	-	NA
Advertising	-	-	NA	-	-	NA
Cyber-Security	-	-	NA	-	-	NA
Delivery of essential services	-	-	NA	-	-	NA
Restrictive Trade Practices	-	-	NA	-	-	NA
Unfair Trade Practices	-	-	NA	-	-	NA
Other	5879	-	All consumer complaints have been closed	6933	-	All consumer complaints have been closed

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	No such instances of forced or voluntary recall during the reporting period.
Forced recalls	Nil	

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Nykaa has adopted a detailed Data Privacy Policy that sets out our approach to handling customer information. The policy specifies the categories of customer data collected, explains the purpose for which such information is gathered, and identifies the circumstances in which it may be disclosed to third parties. It also outlines the safeguards applied to protect customer data and clearly sets out the rights available to customers in relation to their personal information.

The policy can be accessed here: https://www.nykaa.com/policy#privacy-policy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Product Recalls

Nykaa follows mandatory quality requirements and periodically checks adherence through audits as well as self-evaluation mechanisms. These requirements are intended to ensure that products are brought to market with due attention to safety and a high standard of quality, while remaining aligned with relevant industry and regulatory expectations across all countries in which the Company operates. The Company has also instituted management controls to reduce risk and safeguard consumers and markets. Where any product is found to be below the prescribed standard, prompt and decisive measures are taken to ensure that only products meeting Nykaa's quality criteria are made available in the market.

Cyber Security and Data Privacy

Nykaa has put in place a comprehensive Information Security Incident Management framework to support a structured response to security events. The framework lays down defined procedures for detecting and reporting incidents, initiating prompt containment measures to limit their impact, examining underlying causes, and collecting the required evidence. It also addresses the restoration of affected systems and data, while strengthening future preparedness through ongoing learning and process enhancement. To reinforce effective incident handling, the Company places significant focus on employee training, uses threat intelligence platforms, and maintains rigorous evidence collection practices.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches**
   0

   b. **Percentage of data breaches involving personally identifiable information of customers**
   0

   c. **Impact, if any, of the data breaches**
   None

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes/No If yes, name of the external agency. - Yes, Reasonable Assurance from TUV India Pvt.Ltd.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
   Information regarding Nykaa's products and services can be accessed from the following channels:

   - Website: https://www.nykaa.com/
   - Nykaa Retail Stores.
   - General Trade Stores and Modern Trade Stores where Nykaa products are available.
   - Nykaa App.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
   Nykaa supports informed and safe consumer choices by making product-related information easily accessible across multiple touchpoints. Each product is accompanied by clear and comprehensive usage directions intended to encourage responsible handling and safe application. To assist customers at the decision-making stage, the platform also offers buying guides that provide additional perspective on product selection, alongside editorial content designed to strengthen consumer understanding of products. Further, the Company engages cosmetic experts and beauty bloggers to conduct recurring awareness sessions on skincare and hygiene practices, giving consumers direct access to professional guidance and relevant information.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   Nykaa does not operate in the essential services sector. Nonetheless, the Company has established mechanisms to enable timely communication in the event of any disruption. Where required, relevant updates can be promptly shared through multiple channels, including our website, social media platforms, distribution network, sales representatives, and email communications.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**
   Nykaa seeks to equip consumers with complete and easy-to-understand product information through our labelling practices. Every mandatory declaration appearing on product packaging is aligned with relevant regulatory requirements and prescribed norms. Beyond statutory disclosures, the Company also uses additional on-pack markers such as logos and supporting information to draw attention to specific product characteristics. These identifiers may communicate that a product is cruelty-free, indicating that animal testing has not been undertaken; vegan, indicating the absence of animal-derived ingredients; or clean, indicating adherence to defined sustainability parameters or formulations that exclude certain ingredients.

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No)
   Nykaa has established multiple mechanisms to capture and assess customer feedback across operations. Our website features a comprehensive product rating and review system that allows customers to share their experiences and satisfaction levels, generating ongoing insights into product performance and customer preferences.

   In addition, grievances received through email are automatically converted into support tickets on the Zendesk platform, and once resolved, customers are invited to share their feedback through CSAT surveys or other feedback requests. The feedback collected through these channels is systematically logged and analysed. First reply and resolution times for customer grievances are also monitored to assess and strengthen service quality.

   By continuously analysing both product reviews and post-resolution feedback, Nykaa identifies areas for improvement and product development, enabling us to refine our offerings in line with evolving consumer needs and expectations across all locations of operation.

TÜVINDIA

INDEPENDENT ASSURANCE STATEMENT

To,
The Board of Directors,
FSN E Commerce Ventures Limited,
Mumbai 400013

Nykaa E-Retail Limited and FSN E Commerce Ventures Limited (hereinafter referred to as "Nykaa" or the "Reporting Organization") engaged TUV India Private Limited ("TUVI") to perform an independent external assurance of its Business Responsibility and Sustainability Report ("BRSR") Core disclosures for the period April 1, 2025, to March 31, 2026. The Annual Report includes disclosures relating to the BRSR Core (the "09 attributes") as per Annexure I – Format of BRSR Core (collectively referred to as the "BRSR Core Information").

For the BRSR Core assurance, TUVI confirms that, prior to acceptance of the engagement, the preconditions for the assurance engagement were formally assessed in accordance with ISAE 3000 (Revised), specifically Para 24. As part of this formal criteria assessment, TUVI evaluated and documented that the subject matter is supported by suitable criteria (SEBI BRSR Core framework and GHG Protocol), which were determined to be available, relevant, and appropriate for the purpose of this engagement. Nykaa's management has acknowledged its responsibility for the preparation and presentation of the BRSR Core sustainability information and for providing access to relevant records, and that sufficient appropriate evidence was expected to be available to support the assurance conclusion. Accordingly, having satisfied all preconditions through this formal assessment, the BRSR Core assurance engagement was accepted and performed in accordance with ISAE 3000 (Revised).

The assurance process was conducted with reference to the following applicable frameworks and guidelines as below:

i. Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requiring disclosure of the Business Responsibility and Sustainability Report (BRSR);
ii. The *Industry Standards on Reporting of BRSR Core, as per SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20 December 2024;*
iii. *SEBI circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10 May 2021;*
iv. *The SEBI notification SEBI/LAD-NRO/GN/2023/131, dated 14 June 2023, related to BRSR reporting requirements;*
v. *The BRSR Core – Framework for Assurance and ESG Disclosures for the Value Chain, as stipulated by SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023;*
vi. *World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard).*
vii. *International Standard on Assurance Engagements ISAE 3000 (Revised).*

The assurance engagement comprised a reasonable assurance engagement over the BRSR Core indicators / nine attributes, performed in accordance with ISAE 3000 (Revised).

Management's Responsibility

Nykaa developed its BRSR Core information forming part of the Annual Report (based on the BRSR Core framework) and holds full responsibility for the collection, analysis, preparation, and disclosure of the information presented in the Annual Report, including its availability in both web-based and printed formats. This responsibility also extends to the maintenance and integrity of the website where the Annual Report is published. Management is responsible for ensuring the disclosed data is accurate, reliable, and free from material misstatements, for BRSR Core requirements. Additionally, Nykaa is responsible for the archiving and reproduction of the disclosed information and for ensuring that such data is made available to relevant stakeholders and regulatory authorities upon request. The Reporting Organization is responsible for complying with applicable laws. Any partial reproduction of this assurance statement could lead to misinterpretation of the assurance scope, procedures, and conclusions. The assurance conclusion is intended to be read in its entirety, together with the defined scope, methodology, limitations, and criteria described in this assurance statement. The primary intended user of this assurance statement is the Board of Directors, shareholders, regulators, and other stakeholders of Nykaa; however, the client may use it at their own discretion in accordance with their specific requirements.

Scope and Boundary

The scope of work includes the assurance of the following *09 attributes as per Annexure I - Format of BRSR Core* disclosed in the BRSR. The BRSR core requirements encompass essential disclosures pertaining to organization's Environmental, Social and Governance (ESG). In particular, the assurance engagement included the following:

The assurance engagement included the following activities:

1. Review of General Disclosures, Management and Process Disclosures, and Nykaa's BRSR Core information;

TÜVINDIA

2. Review and evaluation of the nine attributes specified under Annexure I – Format of BRSR Core, as disclosed in the BRSR;
3. Assessment of the quality, clarity, and completeness of the reported information; and
4. Verification of supporting evidence on a sample basis, involving reasonable assurance for the nine attributes as per the BRSR Core framework.
5. The assurance does not include assurance of value chain disclosures. Value chain disclosures are presently voluntary and deferred under SEBI circular dated 28 March 2025 and are therefore excluded from the scope of this assurance engagement. (Reference: Measures to facilitate ease of doing business with respect to framework for assurance or assessment, ESG disclosures for value chain, and introduction of voluntary disclosure on green credits)

This approach ensured an assessment aligned with the principles of ISAE 3000 (Revised) for the BRSR Core disclosures, providing an independent and objective evaluation of the reliability and accuracy of Nykaa's ESG information.

TUVI has verified the below *09 attributes as per Annexure I - Format of BRSR Core* disclosed in the BRSR disclosed in the BRSR with reference to the Industry Standards on Reporting of BRSR Core (SEBI circular dated 20 December 2024) as part of the applicable assurance criteria.

Attributes	KPI	
Green-house gas (GHG) footprint *Boundary:* *Scope 1 Boundary* – Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa. Scope 2 Boundary – Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa.	Total Scope 1 emissions (with breakup by type) - GHG (CO_2e) Emission in MT - Direct emissions from organization's owned- or controlled sources (Calculated)	
	Total Scope 2 emissions in MT - Indirect emissions from the generation of energy that is purchased from a utility provider (Calculated)	
	GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP (Calculated)	
Water footprint Boundary: Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa.	Total water consumption (in KL) (Calculated)	
	Water consumption intensity - KL / Total Revenue from Operations adjusted for PPP (Calculated)	
	Water Discharge by destination and levels of Treatment (KL)- Not applicable	
Energy footprint *Boundary:* *Refer attribute "Green-house gas (GHG) footprint"*	Total energy consumed in GJ (Calculated)	
	% of energy consumed from renewable sources - In % terms- (Calculated)	
	Energy intensity -GJ/ Rupee adjusted for PPP (Calculated)	
Embracing circularity - details related to waste management by the entity *Boundary:* Consumption from all Offices, Warehouses and Rapid stores under operational control of Nykaa.	Plastic waste (A) (MT) (Calculated)	
	E-waste (B) (MT) (Calculated)	
	Bio-medical waste (C) (MT)- (Reported NIL)	
	Battery waste (D) (MT) - Buy-back process (Reported NIL)	
	Expired products (E) – Disposed under Hazardous waste. (Reported)	
	Other non-hazardous waste. Carton waste (F) (Calculated)	
	Total waste generated (A + B + C + D + E + F) (MT)	
	Waste intensity • MT / Rupee adjusted for PPP (Calculated)	
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) (Calculated)	
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity) ✓ kg of Waste Recycled (or) Recovered /Total Waste generated	
	For each category of waste generated, the total waste disposed by the nature of the disposal method (MT)	
	For each category of waste generated, the total waste disposed by the nature of the disposal method (Intensity) ✓ Kg of Waste Recycled (or) Recovered /Total Waste generated (Reported) ✓ Expired products incineration (Reported) ✓ Plastic waste recycled via third-party vendors (Reported) ✓ Carton waste recycled via third-party vendors (Reported)	
Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company - In % terms- (Calculated)	
	Details of safety-related incidents for employees and workers (including contract-workforce, e.g. workers in the company's construction sites) 1) Number of Permanent Disabilities (Reported NIL) 2) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) (Reported NIL) 3) No. of fatalities (Reported NIL)	
Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid - In % terms - (Calculated)	
	Complaints on POSH	1) Total Complaints on Sexual Harassment (POSH) reported - (Reported NIL)
		2) Complaints on POSH as a % of female employees/workers- (Calculated)
		3) Complaints on POSH upheld- (Reported NIL)

TÜVINDIA

Attributes	KPI	
Enabling Inclusive Development	Input material sourced from the following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India - In % terms – As % of total purchases by value- (Calculated)	
	Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms – As % of total wage cost • Rural (Calculated) • Semi-urban (Calculated) • Urban (Calculated) • Metropolitan (Calculated)	
Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events - In % terms- (Reported NIL)	
	Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured	
Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties. Loans and advances & investments with related parties	1) Purchases from trading houses as % of total purchases (Reported NIL)
		2) Number of trading houses where purchases are made from (Reported NIL)
		3) Purchases from top 10 trading houses as % of total purchases from trading houses- (Reported NIL)
		1) Sales to dealers/distributors as % of total sales- (Calculated)
		2) Number of dealers / distributors to whom sales are made- (Calculated)
		3) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors- (Calculated)
		Share of RPTs (as respective %age) in - • Purchases - (Reported)
		• Sales - (Reported)
		• Loans & advances - (Reported)
		• Investments - (Reported)

The reporting boundaries cover FSN E-Commerce Ventures Limited and Nykaa E-Retail Limited operations.

Onsite Verification

1. 24th & 25th March 2026 - Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra 400013
2. 30th March 2026- Warehouse, Hyderabad
3. 03rd April 2026- Warehouse, Pune

Remote Verification

4. 22nd April 2026 - Remote audit for Mumbai Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra 400013

The assurance activities were carried out together with a desk review as per the reporting boundary.

Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the BRSR, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion on the prospective information. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI verified 09 attributes and corresponding KPIs independently, without reference to any ESG targets or goals set by Nykaa. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with Nykaa. TUVI has taken reference of the financial figures from the audited financial statements of FSN E Commerce Ventures Limited for FY 2025-26. The denominator values used in BRSR Core intensity ratio calculations — specifically, Total Revenue from Operations adjusted for Purchasing Power Parity (PPP) — were extracted from the audited financial statements and reconciled against the figures disclosed in Nykaa's Annual Report prior to use in intensity ratio verification. Financial figures were not independently assured under this engagement; Nykaa remains responsible for the appropriate application and disclosure of financial data. The application of this assurance statement is limited w.r.t *SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated Jul 12, 2023 and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20/12/2024*. This assurance statement does not endorse any environmental and social claims (related to the product, manufacturing process, packaging, disposal of product etc.) as well as advertisements by the reporting organization and shall not be used to support misleading environmental or social claims, including greenwashing-related representations. The reporting Organization is responsible for ensuring adherence to relevant laws. The assurance procedures are subject to inherent limitations, including the use of estimates, assumptions, sampling, and reliance on internal controls and data systems maintained by Nykaa. Accordingly, there is an unavoidable risk that material misstatements or omissions may not be detected, particularly where information is subject to estimation uncertainty or dependent on management judgement. The responsibility for the authenticity of the data is confirmed by Nykaa. Any reliance placed by any person or third party on disclosed KPIs is entirely at their own risk.

TÜVINDIA

Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a reasonable level of assurance for *09 attributes as per Annexure I - Format of BRSR Core* and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of Nykaa strategy, management of ESG-related issues or the sufficiency of the report against BRSR reporting principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes assurance of non-financial quantitative and qualitative information disclosed by Nykaa. Reporting Organization is responsible for archiving the related data for a reasonable time period.

TUVI is responsible

i. For planning to obtain the reasonable assurance for BRSR attributes so that it is free from material misstatement,
ii. Forming an independent opinion, based on the sampled evidence,
iii. Reporting the opinion to the Directors of 'Nykaa'.

This assurance statement is prepared by considering that the data and information presented by 'Nykaa' are free from material mis-statement. The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing verification efforts on disclosures and issues of high material relevance to Nykaa and its stakeholders. The objective was to assess the reliability and accuracy of the non-financial information disclosed, with emphasis on the robustness of data management systems, internal controls, and information flows.

TUVI's assurance activities included:

1. **Document and Data Review**:
   i. Examination of documents, datasets, and supporting evidence provided by Nykaa for the nine attributes listed in Annexure I – Format of BRSR Core (non-financial disclosures).
   ii. Evaluation of disclosures related to Management Approach and performance indicators.
2. **Stakeholder Interviews**:
   i. Conducted interviews with key representatives, including data owners, process managers, and decision-makers across various departments.
   ii. Reviewed management representations regarding Nykaa's approach to stakeholder engagement and materiality determination; qualitative statements in the Annual Report are based on management representation and were not independently validated.
   iii. Interviews were conducted through both onsite visits and remote assessments, as applicable.
3. **Process and System Assessment**:
   i. Review of systems and processes for implementing ESG and sustainability-related policies as described in the BRSR, and for collecting, managing, and reporting both quantitative data and qualitative information for the reporting period.
   ii. Assessment of internal controls supporting data accuracy, traceability, and consistency.
4. **Substantive and Control Testing:** TUVI performed walkthrough procedures to evaluate the design and implementation of internal controls over ESG data processes, and substantive testing including document verification, recalculation, analytical review, and data traceability checks for selected KPIs and disclosures. For intensity ratio KPIs — including GHG emission intensity (Scope 1+2 / Revenue from Operations adjusted for PPP), water consumption intensity (kL / Revenue from Operations adjusted for PPP), energy intensity (GJ / Revenue from Operations adjusted for PPP), and waste intensity (MT / Revenue from Operations adjusted for PPP) — TUVI independently recalculated each ratio using verified numerator values (absolute environmental data) and denominator values (financial figures sourced from audited financial statements), and cross-checked the results against Nykaa's reported figures to confirm arithmetical accuracy and consistency of methodology. The combination of control testing and substantive procedures provided sufficient appropriate evidence in accordance with ISAE 3000 (Revised). For GHG emission calculations, Scope 2 emissions were computed using the CEA (Central Electricity Authority) grid emission factor for India applicable to the reporting period, in accordance with the WRI/WBCSD GHG Protocol Corporate Standard. Scope 1 emissions were calculated based on standard fuel conversion factors consistent with IPCC guidelines. The emission factor sources and calculation methodology were reviewed and found appropriate for the engagement.
5. **Sampling Methodology**: TUVI applied a risk-based sampling methodology to select representative samples of ESG disclosures, considering materiality thresholds, risk of misstatement, data complexity, estimation uncertainty, nature and scale of operations, and geographical spread of facilities. Sample selection prioritised locations with significant operational impact and KPIs with higher inherent risk, including those relevant to BRSR Core indicators. A materiality threshold of 5% (default as per TUV guidelines), determined with reference to the inherent estimation risk in environmental KPIs, the materiality of BRSR Core indicators to stakeholder decision-making, and the reasonable assurance level required under ISAE 3000, was applied to the selected samples for the verification of sustainability disclosures as applicable. Sites were selected based on proportionate

TÜVINDIA

contribution to total reported values, with Marathon Futurex Mumbai, Warehouse Hyderabad, and Warehouse Pune prioritized as primary onsite locations.

6. **Reporting Framework Adherence:** Verified Nykaa's adherence to reporting requirements under SEBI's BRSR Core guidelines.

This methodology enabled TUVI to provide a balanced and evidence-based assurance on the information disclosed, while maintaining alignment with ISAE 3000 (Revised) standards for non-financial assurance.

Opportunities for Improvement

The following are the opportunities for improvement reported to Nykaa. However, they are generally consistent with Nykaa management's objectives and programs. Nykaa already identified below topics and Assurance team endorse the same to achieve the Sustainable Goals of organization.

i. Nykaa can further enhance its ESG reporting by adopting a dedicated ESG analytics platform that enables real-time monitoring and deeper insights across environmental, social, and governance dimensions. Leveraging such a solution can further strengthen data collection processes, streamline reporting in alignment with global frameworks (GRI, SASB, TCFD, BRSR), and equip leadership with timely, actionable intelligence. This step would build on existing efforts, reinforce stakeholder confidence, and continue to position the organization as a forward-thinking and credible leader in sustainability.

ii. Nykaa can further strengthen its climate leadership by progressively expanding its Scope 3 emissions reporting in alignment with ISO 14064-1. Building on its current disclosures, this approach would enable more comprehensive coverage of value chain emissions, improve data robustness, and enhance overall transparency.

iii. Nykaa can assess its suppliers through a structured assessment framework aligned with its Supplier Code of Conduct, reinforcing expectations around ethical, social, and environmental practices.

Conflict of Interest

TUVI confirms its independence and the absence of any conflict of interest in relation to this assurance engagement, in accordance with ISAE 3000 (Revised), SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023, and the Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024).

TUVI's independence framework is grounded in the IESBA Code of Ethics, adopting a threats-and-safeguards approach to identify and manage risks including self-interest, self-review, advocacy, familiarity, and intimidation. Organisational safeguards include segregation of responsibilities, independent technical review, documented conflict-of-interest controls, and a quality management system consistent with ISQM 1 and ISO 17029:2019.

During the reporting period, TUVI confirms that:

- No consulting, advisory, system design, data preparation, or implementation services related to ESG or BRSR were provided to Nykaa;
- TUVI was not involved in the preparation or drafting of BRSR Core disclosures, development of ESG strategy or targets, design or implementation of ESG data management systems, calculation of GHG emissions inventories, internal audit of ESG data, or consulting on materiality assessment; and
- No relationships, affiliations, or financial interests exist that could compromise the objectivity, independence, or impartiality of TUVI's findings, conclusions, or recommendations.

TUVI solely provides verification and assurance services and maintained professional impartiality towards all personnel interviewed throughout this engagement.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPIs described in the BRSR report, along with the referenced information, have been prepared, in all material respects, in accordance with the applicable BRSR Core criteria, for the nine BRSR Core attributes, and meet the content and quality requirements of the BRSR.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the BRSR requirements. Nykaa refers to general disclosure to report contextual information about Nykaa, while the Management & Process disclosures refer to the management approach for each indicator *(09 attributes as per Annexure I - Format of BRSR Core)*.

Reasonable Assurance: As per SEBI reasonable assurance requirements, including scope of Assurance, Assurance methodologies (risk- based approach and data validation techniques), mitigating conflicts of interests, documentation on evidence and communication on findings, TUVI can effectively assess the accuracy and reliability of the information presented in the BRSR, instilling confidence in stakeholders and promoting transparency and credibility in ESG reporting practices.

BRSR complies with the below requirements

a) **Governance, leadership and oversight:** The governance disclosures in the Annual Report / BRSR were reviewed based on management representations and available supporting documentation. Board meeting minutes and agenda records were made available for review. Messages from top management, business model disclosures, risk

TÜVINDIA

management approach, and environmental priorities were reviewed for consistency against available internal governance frameworks and management representations provided to TUVI. Disclosures relating to inclusive growth, equitable development, and environmental protection were found to be consistent with the governance structures described by management during the assurance engagement.

b) **Connectivity of information:** Nykaa discloses *09 attributes as per Annexure I - Format of BRSR Core* and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.

c) **Stakeholder engagement:** Based on management representations, the Report covers mechanisms of communication with key stakeholders to identify major concerns and to derive and prioritize short, medium and long-term strategies. The disclosures on stakeholder relationships and the organisation's responsiveness to stakeholder interests are reported as represented by management; independent validation of the stakeholder engagement process was not within the scope of this engagement.

d) **Materiality:** The material issues within 9 attributes and corresponding KPI as per BRSR requirement are reported properly.

e) **Conciseness:** The report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation is applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.

f) **Reliability and completeness:** Nykaa has established internal data aggregation and evaluation systems to derive the performance. Nykaa confirms that, all data provided to TUVI, has been passed through Internal checks. The majority of the data and information was verified by TUVI's assurance team (on sample basis) during the BRSR verification and found to be fairly accurate. All data is reported transparently, in a neutral tone and without material error.

g) **Consistency and comparability:** The information presented in the BRSR is on yearly basis. and found reliable and complete manner. Thus, the principle of consistency and comparability is established.

h) **Impact:** Nykaa communicates its ESG performance through regular, transparent internal and external reporting throughout the year, aligned with BRSR, as part of its policy framework that includes POSH, ESG, Code of Conduct Policy, and Whistle Blower Policy. Nykaa reports on ESG performance to the Board of Directors, who oversees and monitors the implementation and performance periodically.

Quality control: The assurance team complies with quality control standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in reference with standards and regulations. Assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. In accordance with International Standard on Quality Control, TUVI maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing sustainability assurance services with qualified environmental and social specialists. The assurance team comprises lead verifiers holding Sustainability auditor qualifications, ISO 14064 verification competencies, as well as confirmed competence in conducting ISAE 3000 (Revised) assurance engagements. Lead verifier(s) possess ISO 14064 verification qualifications, ESG assurance experience, and sector expertise. The team's collective credentials encompass environmental data verification, social performance assessment, and sustainability reporting assurance aligned with GRI Standards and IIRC Integrated Reporting frameworks. TUVI's independence, impartiality, and conflict-of-interest position with respect to this engagement are confirmed in the Conflict-of-Interest section of this statement

For and on the behalf of
TUV India Private Limited

TUV INDIA PRIVATE LIMITED TÜVINDIA

Date: 15/07/2026
Place: Mumbai, India
Project Reference No: 8124804850
Revision:03

Independent Auditor's Report

To the Members of FSN E-Commerce Ventures Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of FSN E-Commerce Ventures Limited ("the Company") which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 standalone 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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 for the financial year ended March 31, 2026. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matter 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 this matter. 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 matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of investments in subsidiaries, and loans to subsidiaries (refer Note 9, Note 10 and Note 18 in the standalone financial statements)	
The Company has investment of ₹ 943.63 crores in subsidiaries and has outstanding loans receivable of ₹ 714.87 crores from certain subsidiaries as at March 31, 2026. As per requirement of Ind AS 36 "Impairment of assets", the management reviews at each reporting period whether there are any indicators of impairment of the investments in subsidiaries and where impairment indicators exist, such investments are tested for impairment using discounted cash-flow models by which recoverable value of each investment is compared to the carrying value as at balance sheet date. A deficit between the recoverable value / value in use and the carrying value would result in impairment. The value in use of the underlying businesses is determined based on the discounted cash flow projections. Discounted cash flow model has significant judgment and estimation in respect of cash flow forecasts and discount rate. Changes in certain methodologies and assumptions can lead to significant changes in the assessment of the recoverable value.	• Our audit procedures included the following: • Obtained the audited financial statements of subsidiaries as on March 31, 2026 from the management and assessed impairment indicators in accordance with Ind AS 36. • Assessed the Company's valuation methodology applied in determining the recoverable amount. • Discussed the budgeted and actual performance for the year to evaluate the inputs and assumptions used in the cash flow forecasts. • Assessed the assumptions used in determining cash flow forecasts, discount rates, expected growth rates and terminal growth rates used.

Key audit matters	How our audit addressed the key audit matter
For certain subsidiaries where there is no indicator for impairment, the Company has evaluated the subsidiaries' operational performance for the year relative to its plans, net worth as of year-end in relation to the carrying amount of the investment and other receivables and reviewed future projections and relevant qualitative factors such as strategic business plans, market conditions and other external economic indicators. Due to the level of judgements involved in the assumptions used for computation of recoverable amount / value in use, the impairment assessment of the Company's interest in subsidiaries including loans given, is determined to be a key audit matter in our audit of the standalone financial statements.	• Where the Company used the work of an external specialist, we assessed competence, professional qualification, objectivity and independence of such specialist. We have obtained and read the report of external specialist to understand the work performed on testing of key assumptions and estimates and their outcome of testing. • Involved our internal valuation specialist to evaluate the adequacy of the assumptions used in impairment analysis. • Tested the arithmetical accuracy of the computation of recoverable amount. • Assessed the disclosures provided by the Company in relation to its annual impairment test in notes to the standalone financial statements.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual report ('Other Information') but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the 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 evidence 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 standalone financial statements, including the disclosures and whether the standalone 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 standalone financial statements for the financial year ended March 31, 2026 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid/

provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);

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

(i) The Company has disclosed the impact of pending litigations on its financial position in the financial statements - Refer Note 48B to the standalone financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 56 (v) to the standalone financial statements, 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 Company to or in any other person or entity, 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;

(iv) (b) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 56 (vi) to the standalone financial statements, no funds have been received by the Company from any person or entity, 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; and

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

(v) No dividend has been declared or paid during the year by the Company.

(vi) (A) The Company has migrated to a new accounting software from legacy accounting software during the year. Based on our examination which included test checks Company has used various accounting software including new accounting software and legacy software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except (as described in note 49(ii) to the financial statements) –

- In respect of the legacy accounting software, audit trail feature is not enabled at the database level and certain users have access to make direct changes which are not logged at the application layer,

- In respect of new accounting software implemented from January 01, 2026, audit trail is enabled at the application layer; however, certain users have access to make direct changes which are not logged. Further, for the database layer, the SOC report issued by ERP service provider to all its users does not explicitly mention if the audit trail controls were enabled or not at the database layer,

(B) • In respect of one supporting software (which was implemented w.e.f. January 01, 2026) wherein the audit trail (edit log) facility was not enabled throughout the period, while for all the other supporting software –

i. audit trail feature was enabled at database layer from October 01, 2025 for all relevant transactions recorded in the software, and

ii. was not enabled accurately for certain transactions at the application layer.

(C) With respect to the third-party operated software applications –

• the audit trail feature for the certain software was enabled and operated throughout the year for all relevant transactions recorded in these software applications or there were no instances of the audit trail feature being tampered with,

• in the absence of Service Organisation Controls report on audit trail for one of the software operated till December 31, 2025, as described in Note 49(ii) to the financial statements, we are unable to comment on whether the audit trail feature with respect to third-party operated software applications was enabled and operated throughout the year for all relevant transactions recorded in these software applications or whether there were any instances of the audit trail feature being tampered with.

Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

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

per **Govind Ahuja**
Partner
Membership Number: 048966
UDIN: 26048966LLDNUX6118
Place of Signature: Mumbai
Date: May 21, 2026

Annexure 1 referred to in paragraph [1] under Report on Other Legal and Regulatory Requirements of our report of even date

Re: FSN E-Commerce Ventures Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets reflected in the books.

(i) (b) The Company has a programme of physical verification of Property, Plant and Equipment to cover all the items in phased manner over a period of three years, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to such a programme, verification of Property, Plant and Equipment has been concluded during the year. No material discrepancies were noticed on such verification.

(i) (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of lessee), held by Company and accordingly, the requirement to report on clause 3(i)(c) of the order is not applicable to the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.

(ii) (b) As disclosed in note 27 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year, the Company has provided loans, & stood guarantee to its subsidiaries as follows:

(₹ in crore)

Particulars	Guarantees	Loans
Aggregate amount granted/ provided during the year	945.00	1,256.21
Balance outstanding as at March 31, 2026 in respect of above cases	1,010.00	714.87

During the year, the Company has not provided advances in the nature of loans and security to companies, firms, Limited Liability Partnerships or any other parties.

(iii) (b) During the year, the investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantees to its subsidiaries are not prejudicial to the Company's interest. During the year, the Company has not provided advances in the nature of loans and security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order in respect of advances in the nature of loans and security given is not applicable to the Company.

(iii) (c) The Company has granted loans during the year to its subsidiaries where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(iii) (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(iii) (e) The Company had granted loans to companies which had fallen due during the year and Company has extended during the year to the respective parties to settle the dues of the existing loans.

The aggregate amount of such dues extended and the percentage of the aggregate to the total loans granted during the year are as follows:

(₹ in crores)

Name of Parties	Aggregate amount of loans granted during the year	Aggregate overdue amount settled by extension to same parties	Percentage of the aggregate to the total loans granted during the year
FSN Brands Marketing Private Limited	392.84	15.51	3.95%
FSN International Private Limited	61.17	10.69	17.48%

(iii) (f) As disclosed in note 10 and note 18 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to subsidiaries. Of these, following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 (the 'Act'):

(₹ in crore)

Particulars	All Parties	Promoters	Related Parties
(Subsidiaries)			
Aggregate amount of loans			
- Repayable on demand	29.40	-	29.40
Percentage of loans to the total loans	2.34%	-	2.34%

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees and securities given have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales-tax, value added tax, service tax and duty of excise are not applicable to the Company.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in crore)

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Delhi Value Added Tax, 2002	DVAT	0.61	FY 2016-17	CIT Appeals
Maharashtra Value Added Tax, 2022	MVAT	2.05	FY 2016-17	Deputy Commissioner of Sales Tax
Maharashtra Goods and Services Tax, 2017	GST	0.04	FY 2017-18	Joint Commissioner of Sales tax (SGST) (Appeal)-I Appellate Authority
Maharashtra Goods and Services Tax, 2017	GST	0.48	FY 2018-19	Office of Deputy Commissioner

(₹ in crore)

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Maharashtra Goods and Services Tax, 2017	GST	2.23	FY 2020-21	Deputy Commissioner of State Tax
Uttar Pradesh Goods and Services Tax, 2017	GST	0.03	FY 2023-24	Assistant Commissioner of State Tax
Income tax act, 1961	Income Tax	0.00*	AY 2020-21	Assessment Unit, Income Tax Department
Income Tax Act, 1961	Income Tax	0.03	AY 2022-23	Assistant Commissioner of Income Tax

** Less than 0.01 crores.*

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) Term loans were applied for the purpose for which the loans were obtained.

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the standalone 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.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Act, 2013 has been filed by the secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company has not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause

3(xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 55 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 57 to the standalone financial statements

(xx) (b) All amounts that are unspent under section (5) the section 135 of Act, pursuant to any ongoing project, has been transferred to special account in compliance with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in the note 57 to the standalone financial statements.

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

per **Govind Ahuja**
Partner
Membership Number: 048966
UDIN: 26048966LLDNUX6118
Place of Signature: Mumbai
Date: May 21, 2026

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of FSN E-Commerce Ventures Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of FSN E-Commerce Ventures Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, 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 standalone 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 with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A Company's internal financial control with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to these standalone financial statements 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 With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control with reference to these standalone financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2026, 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 issued by the ICAI.

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

per **Govind Ahuja**
Partner
Membership Number: 048966
UDIN: 26048966LLDNUX6118
Place of Signature: Mumbai
Date: May 21, 2026

Balance Sheet

as at March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	30.92	27.76
Capital work-in-progress	5	-	-
Intangible assets	6	43.29	4.38
Right of use assets	7	7.44	6.45
Intangible assets under development	8	-	19.37
Financial assets			
Investments	9	943.64	935.07
Loans	10	540.47	395.00
Other financial assets	11	17.04	1.89
Deferred tax assets (net)	12	49.37	57.23
Non current tax assets (net)		19.24	30.34
Other non current assets	13	0.84	0.63
Total non-current assets (A)		**1,652.25**	**1,478.12**
Current assets			
Inventories	14	77.61	86.12
Financial assets			
Trade receivables	15	95.75	47.71
Cash and cash equivalents	16	4.70	5.50
Bank balance other than cash and cash equivalents	17	77.83	23.12
Loans	18	174.40	150.20
Other financial assets	19	59.71	75.49
Other current assets	20	20.03	23.57
Total current assets (B)		**510.03**	**411.71**
Total assets (A+B)		**2,162.28**	**1,889.83**
Equity and liabilities			
Equity			
Equity share capital	21	286.33	285.93
Other equity	22	1,516.59	1,373.68
Total equity (A)		**1,802.92**	**1,659.61**
Liabilities			
Non-current liabilities:			
Financial liabilities			
Borrowings	23	95.00	-
Lease liabilities	24	18.60	3.66
Other financial liabilities	25	-	13.26
Provisions	26	7.35	3.87
Total non-current liabilities (B)		**120.95**	**20.79**
Current liabilities			
Financial liabilities			
Borrowings	27	87.00	75.74
Lease liabilities	28	7.40	6.87
Trade payables	29		
-Total outstanding dues of micro enterprises and small enterprises		4.27	1.25
-Total outstanding dues of creditors other than micro enterprises and small enterprises		15.43	41.00
Other financial liabilities	30	98.41	71.89
Provisions	31	4.84	2.10
Contract liabilities	32	4.34	0.68
Other current liabilities	33	16.72	9.90
Total current liabilities (C)		**238.41**	**209.43**
Total liabilities (B+C)		**359.36**	**230.22**
Total equity and liabilities (A+B+C)		**2,162.28**	**1,889.83**

The accompanying notes are an integral part of the Financial Statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner

Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director

DIN NO.: 00003633

Adwaita Nayar
Executive Director

DIN NO.: 07931382

P Ganesh
Chief Financial Officer

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Place: Mumbai
Date: May 21, 2026

Statement of Profit and Loss

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	34	356.51	419.95
Other income	35	189.33	157.33
Total Income		**545.84**	**577.28**
Expenses			
Cost of material consumed	36	3.93	9.30
Purchase of traded goods	37	142.62	165.66
Changes in inventories of finished goods and stock-in-trade	38	6.01	16.76
Employee benefits expense	39	67.62	66.12
Finance costs	40	12.17	7.91
Depreciation and amortisation expense	41	16.31	11.58
Other expenses	42	182.12	202.66
Total expenses		**430.78**	**479.99**
Profit before exceptional items and tax		**115.06**	**97.29**
Less: Exceptional items	43	2.13	-
Profit before tax		**112.93**	**97.29**
Tax expense / (credit):	12		
Current tax		17.23	16.80
Deferred tax		7.84	(16.87)
Total tax expense/(credit)		**25.07**	**(0.07)**
Profit after tax		**87.86**	**97.36**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) of defined benefit plan	46	0.09	(1.27)
Income tax effect on above	12	(0.02)	0.32
Other comprehensive income / (loss) for the year, net of tax		**0.07**	**(0.95)**
Total Comprehensive Income for the year		**87.93**	**96.41**
Earnings per share of face value ₹ 1/- each	44		
Basic earnings per equity share (in ₹)		0.31	0.34
Diluted earnings per equity share (in ₹)		0.31	0.34

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director
DIN NO.: 00003633

P Ganesh
Chief Financial Officer

Place: Mumbai
Date: May 21, 2026

Adwaita Nayar
Executive Director
DIN NO.: 07931382

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Statement of Cash Flows

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from operating activities		
Profit before tax as per Statement of Profit and Loss	112.93	97.29
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment and right of use assets	12.71	9.33
Amortisation of intangible assets	3.60	2.25
Interest expense and other finance costs	12.17	7.91
Unrealised foreign exchange (gain) / loss (net)	(0.28)	0.02
Share based expense	4.73	4.07
Provision for gratuity expense	3.18	0.78
Provision for compensated absence	1.45	0.55
Allowance for expected credit loss / (reversal)	(1.78)	(1.14)
Bad debts written off	0.14	0.05
(Gain) / loss on fair value of put option liability	(13.26)	1.84
Commission on financial guarantee	(10.38)	(9.65)
Interest income	(52.71)	(59.90)
Gain on cancellation of lease	(0.01)	-
Operating profit before working capital changes	**72.49**	**53.40**
Working capital adjustments:		
(Increase) / decrease in trade receivables	(34.07)	82.00
Decrease in inventories	8.51	17.15
Decrease / (increase) in current financial asset	4.20	(6.96)
(Increase) / decrease in non-current financial assets	(0.69)	1.01
Decrease in other current assets	3.28	1.42
(Increase) / decrease in other non current assets	(0.50)	0.22
(Decrease) / increase in trade payables	(22.43)	11.77
Increase / (decrease) in provisions	0.67	(0.56)
Increase in current financial liabilities	30.81	4.66
Increase in other current liabilities	7.15	2.67
Cash generated from operations	69.42	166.78
Payment of taxes (net)	(6.13)	(24.20)
Net cash flow generated from operating activities (A)	**63.29**	**142.58**
Cash flows from investing activities		
Consideration paid on acquisition of business (refer note 58)	-	(137.14)
Purchase of property, plant and equipment and other intangible assets (net off capital advance)	(38.46)	(18.23)
(Investment) / Proceeds from fixed deposits (net)	(55.32)	14.83
Proceeds from long term fixed deposits	35.85	16.51
Investment in long term fixed deposits	(25.26)	(35.85)
Investment in subsidiaries	(8.56)	(287.93)
Purchase of investments in associate (including call option)	-	(39.50)

Statement of Cash Flows

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Proceeds from sale of investment in subsidiary	-	29.28
Long term loans repaid by subsidiaries	835.04	151.92
Long term loans given to subsidiaries	(954.31)	(160.82)
Short-term loans (given) to / repaid by subsidiaries (net)	(50.40)	253.58
Commission on financial guarantee	13.71	9.65
Interest received	53.36	57.61
Net cash flows (used in) investing activities (B)	**(194.35)**	**(146.09)**
Cash flows from financing activities		
Proceeds from issue of equity shares/ shares pending allotment including security premium	38.66	18.06
Proceeds from non-current borrowings	95.00	-
Proceeds from current borrowings (net)	11.26	0.87
Interest paid on borrowings	(8.95)	(6.99)
Rental income on sub lease	4.58	4.71
Principal payment of lease liabilities	(8.84)	(8.04)
Interest paid on lease liabilities	(1.45)	(1.04)
Net cash flows from financing activities (C)	**130.26**	**7.57**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(0.80)**	**4.06**
Cash and cash equivalents at the beginning of the year	5.50	1.44
Cash and cash equivalents at the year end (refer note 16)	**4.70**	**5.50**

Notes:

1. Non cash transactions relating to investing and financing activities. (refer note: 19, 30 and 45).
2. The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows.

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/ E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director
DIN NO.: 00003633

P Ganesh
Chief Financial Officer

Place: Mumbai
Date: May 21, 2026

Adwaita Nayar
Executive Director
DIN NO.: 07931382

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Statement of Changes in Equity

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

A. Equity share capital (refer note 21):

Equity shares issued, subscribed and fully paid

	No. of shares	Amount
As at April 01, 2024	**2,85,59,85,609**	**285.60**
Issue of equity shares of face value of ₹ 1 each	32,66,874	0.33
As at March 31, 2025	**2,85,92,52,483**	**285.93**
Issue of equity shares of face value of ₹ 1 each	39,74,873	0.40
As at March 31, 2026	**2,86,32,27,356**	**286.33**

B. Other equity (refer note 22):

Particulars	Share application money pending allotment	Reserves and surplus				Other Comprehensive Income (OCI)	Total other equity
		Retained Earnings	Securities premium	Capital reserve (Refer note 58)	Employee share options scheme reserve		
As at April 01, 2024	**0.50**	**246.91**	**1,235.43**	**(258.27)**	**28.11**	**(3.37)**	**1,249.31**
Net profit for the year	-	97.36	-	-	-	-	97.36
Other comprehensive loss	-	-	-	-	-	(0.95)	(0.95)
Total comprehensive income	-	97.36	-	-	-	(0.95)	96.41
Securities premium on issue of shares on account of ESOP	-	-	18.15	-	-	-	18.15
Addition on account of share application money received	18.06	-		-	-	-	18.06
Share based payments (refer note 54)	-	-	-	-	16.90	-	16.90
Shares allotted / lapsed during the year under ESOP scheme	(18.48)	1.03	6.91	-	(7.94)	-	(18.48)
Intra-group transactions (refer note 58)	-	(6.67)	-	-	-	-	(6.67)
Transfer from retained earnings (refer note 58)	-	6.50	-	(6.50)	-	-	-
As at March 31, 2025	**0.08**	**345.13**	**1,260.49**	**(264.77)**	**37.07**	**(4.32)**	**1,373.68**
Net profit for the year	-	87.86	-	-	-	-	87.86
Other comprehensive loss	-	-	-	-	-	0.07	0.07
Total comprehensive income	**-**	**87.86**	**-**	**-**	**-**	**0.07**	**87.93**
Securities premium on issue of shares on account of ESOP	-	-	38.12	-	-	-	38.12
Consideration received from subsidiary [refer note 9(1)]	-	-	-	0.01	-	-	0.01
Addition on account of share application money received	38.66	-	-	-	-	-	38.66
Share based payments (refer note 54)	-	-	-	-	16.71	-	16.71
Shares allotted / lapsed during the year under ESOP scheme	(38.52)	1.66	15.91	-	(17.57)	-	(38.52)
As at March 31, 2026	**0.22**	**434.65**	**1,314.52**	**(264.76)**	**36.21**	**(4.25)**	**1,516.59**

The accompanying notes are an integral part of the Financial Statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director
DIN NO.: 00003633

Adwaita Nayar
Executive Director
DIN NO.: 07931382

P Ganesh
Chief Financial Officer

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Place: Mumbai
Date: May 21, 2026

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

1. Corporate Information

FSN E-Commerce Ventures Limited ('Company') (CIN: L52600MH2012PLC230136) is a public Company incorporated and domiciled in India. The registered office of the Company is located at 104, Vasan Udyog Bhavan, Sun Mill compound, Tulsi Pipe Road, Lower Parel, Mumbai – 400013.

The Company is engaged in the business of manufacturing, selling & distribution of beauty, wellness, fitness, personal care, health care, skin care, hair care and fashion products through offline channels.

The Board of Directors approved the financial statements for the year ended March 31, 2026 and authorised for issue on May 21, 2026.

2. Material accounting policies

2A. Basis of preparation

i) Statement of compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to these financial statements.

ii) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis, except for the following which are measured at fair value:

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value
- Defined benefit plans
- Equity settled ESOP at grant date fair value

iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2025 which amended certain accounting standards that are effective from the date of notification. These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

iv) New and amended standards issued but not effective

There are no standards that are notified and not yet effective as on the date.

2B. Summary of material accounting policies

a) Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

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

b) Property plant & equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the qualifying asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is included in asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss for the period during which they are incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Cost incurred on property, plant and equipment not ready for their intended use is disclosed as Capital Work-in-Progress and is stated at cost, net of accumulated impairment loss, if any. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Property, plant & equipment:

Depreciation is provided using the Straight-Line Method based on useful lives of the assets prescribed in Schedule II to the Act.

Estimated useful lives of the assets are as follows:

Property, plant and equipment	Useful lives (in years)
Plant and Machinery	8
Computers and Hardware	3
Furniture and Fixtures	5-10
Office Equipment	5
Vehicles	8
Leasehold improvements	Period of primary lease

The assets' residual values, useful lives and methods of depreciation are reviewed at each reporting period and adjusted prospectively for any change in estimate, if appropriate. Changes in expected useful lives are treated as change in accounting estimate.

c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed as either finite or indefinite.

Following, initial recognition, intangible assets with finite lives are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the period/year in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss.

Amortisation of intangible assets:

Intangible assets are amortised on straight line basis as per the following useful lives:

Intangible asset	Useful lives (in years)
Trademark	5-15
Business application development (Internally generated)	3
Computer Software	3
Brands	15

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

another asset. During the period of development, the asset is tested for impairment annually.

d) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised, i.e. wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net fair value and value in use. A recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared for the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

e) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods and work in progress (Manufactured Goods): Cost includes cost of direct materials and labour, and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.
- Stock in trade (Traded Goods): Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion necessary to make the sale.

An inventory provision is recognised for cases where the net realisable value is estimated to be lower than the inventory carrying value. The net realisable value is estimated taking into account various factors, including obsolescence of material due to design change, process change etc., unserviceable items i.e. items which cannot be used due to deterioration in quality or due to shelf life or damaged in storage and ageing of material i.e. slow moving/non-moving prevailing sales prices of inventory.

f) Leases

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

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

i. Right-of-use assets (ROU asset)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the primary lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (e) impairment of non-financial assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii. Lease liabilities:

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

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

iii. Short term leases and leases of low value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of property (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases where the underlying asset is considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Sub-lease

At the commencement date, the Company recognises assets held under a sub-lease in its Balance Sheet and present them as a receivable at an amount equal to the net investment in the lease. The Company uses the interest rate implicit in the lease to measure the net investment in the lease. In case if the interest rate implicit in the sublease cannot be readily determined, the Company being an intermediate lessor uses the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) to measure the net investment in the sublease.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

- fixed payments less any lease incentives payable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties, if any, for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

The Company recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on net investment in the lease.

Net investment in the lease is subject to the derecognition and impairment requirements in Ind AS 109. The Company regularly reviews estimated unguaranteed residual values, if any, used in computing the gross investment in the lease and adjusts the income allocation accordingly.

g) Financial Instruments

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

I. Initial recognition and measurement:

All Financial assets and liabilities are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Financial Assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price as disclosed in section 2B(i) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement:

i. Financial assets

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value though profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

The Company's financial assets at amortised cost includes trade and other receivables, loans to employees and loan to subsidiaries.

Financial assets at fair value through other comprehensive income (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial Assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Company has elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

ii. Financial liabilities

Financial liabilities at fair value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Derecognition

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

II. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies simplified Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115 and do not contain significant financing components.

The Company applies general approach for recognition of expected credit losses on all other financial assets.

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables are written off when there is no reasonable expectation of recovery.

III. Offsetting of financial instruments

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

IV. Investment in subsidiaries and associates

Investment in subsidiaries equity and preference shares is recognised in the Company's financial statements at cost in accordance with Ind AS 27. Investment comprises other multiple components, including loans, financial guarantees and share-based payments, each component is initially recognised at fair value in accordance with the relevant standards (primarily Ind AS 109 and Ind AS 102), with any difference between transaction value and fair value (including below-market loans and financial guarantees issued on behalf of subsidiaries) treated as part of the cost of investment, representing a capital contribution to the subsidiary. Loans are subsequently measured at amortised cost using the effective interest rate method and are subject to expected credit loss assessment under Ind AS 109. Financial guarantee contracts are initially recognised at fair value and subsequently measured at the higher of the loss allowance determined under the expected credit loss model and the amount initially recognised less, where appropriate, cumulative amortisation. Share-based payments granted to employees of subsidiaries are accounted for in accordance with Ind AS 102, with the fair value of such awards recognised over the vesting period as an increase in investment in subsidiary with a corresponding credit to equity. The carrying amount of investment is assessed for impairment, where indicators exist, in accordance with Ind AS 36.

h) Revenue recognition:

I. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of discounts offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The Company identifies the performance obligations in its contracts with customers and recognises revenue as and when the performance obligations are satisfied. The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products:

Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for products. Revenue from the sale of products is recognised when products are delivered to customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Contacts where the Company's obligation is to arrange for the provision of goods and services by another party, the Company recognises revenue in the amount of the commission to which it expects to be entitled in exchange for arranging for the provision of goods and services.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

ii. Contract balances:

- **Contract assets**

A contract asset is the right to consideration in exchange for products or services transferred to the customer. If the Company performs by transferring products or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

- **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

payment of the consideration is due). Refer to accounting policies of financial assets in section – Financial instruments – initial recognition and subsequent measurement.

- **Contract liabilities**

  A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

II. **Interest income:**

Interest income is accrued on time basis, by reference to the principle outstanding and using the effective interest rate method. Interest income is included under the head "Other income" in the Statement of Profit and Loss.

Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

i) Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR) in crore ('Cr'), which is FSN E-Commerce Ventures Limited's functional and presentation currency.

Foreign currency transactions and balances

(i) **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) **Exchange differences**

Exchange differences arising on settlement or translation of other monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period/year, or reported in previous financial statements, are recognised as income or as expenses in the Statement of Profit and Loss in the period/year in which they arise.

j) Share based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

k) Employee benefits

Short term employee benefits

All short term employee benefits such as salaries, incentives, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits are recognised on an undiscounted basis and charged to the Statement of Profit and Loss.

Post-employment benefits

i. Defined Contribution Plans

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the period/year when the contribution to the funds is due. There are no other obligations other than the contribution payable to the fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

ii. Defined Benefit Plans

Gratuity

The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees (including off role employees). The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The gratuity benefits are unfunded.

Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period/year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through 'Other comprehensive income' in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each Balance Sheet date on the basis of an independent actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer the settlement for at least 12 months after the reporting date, regardless of when the actual settlement.

l) Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The management assessed that cash and cash equivalents, trade receivables, advances, trade payables, bank overdraft and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management selects appropriate valuation techniques using discounted cash flow model when the fair value of the financial assets and liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

m) Income taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and deferred tax are measured using the tax rates and tax laws enacted or substantively enacted, at the reporting date. Current income tax and deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in OCI or in equity). The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, and other short term highly liquid investments which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

o) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence and other disclosures in the notes to the financial statements unless the possibility of any outflow in settlement is remote.

p) Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive.

q) Segment reporting

In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Group and therefore, no separate disclosure on segment information is given in standalone financial statements.

r) Business combination:

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The following are the critical judgements and estimates that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

I. Judgements:

- **Determining the lease term of contracts with renewal and termination options – the Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The Company included the renewal period as part of the lease term for leases of property with shorter non-cancellable period (i.e., 3 to 5 years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on business if a replacement alternate property is not readily available. The renewal periods for leases of property with longer non-cancellable periods (i.e., 6 to 10 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

II. Estimates and assumptions:

a. Estimation of useful life of property, plant and equipment and intangible asset

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial period/year end. The lives are based on historical experience with similar assets.

b. Fair Value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c. Estimation of defined benefit obligation and compensated absences

The cost of the defined benefit gratuity plan, compensated absences and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Future salary increases are based on expected future inflation rates. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes.

d. Income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

e. Deferred Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability, the Company considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company has recognised deferred tax assets on the unused tax losses and other deductible temporary differences since the management is of the view that it is probable the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

f. Provision

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

g. Impairment of financial assets:

The impairment provisions for financial assets depending on their classification are based on assumptions about risk of default, expected cash loss rates, discounting rates applied to these forecasted future cash flows, recent transactions and independent valuer's report. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

h. Provision for expected credit losses of trade receivables and contract assets:

The Company uses a simplified approach to determine impairment loss allowance on the portfolio of trade receivables. This is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

i. **Leases — Estimating the incremental borrowing rates:**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities.

The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Company's credit rating).

j. **Other estimates:**

The share-based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 4 Property, plant and equipment

Particulars	Computers and Hardware	Furniture and fixtures	Office equipment	Vehicles	Plant and machinery	Leasehold improvements	Total
Gross carrying amount							
As at April 01, 2024	**2.06**	**21.07**	**2.85**	**1.12**	**0.31**	**2.96**	**30.37**
Additions	0.26	10.50	1.42	0.70	-	0.73	13.61
Disposals	(0.01)	(0.43)	(0.02)	-	-	(0.00)*	(0.46)
As at March 31, 2025	**2.31**	**31.14**	**4.25**	**1.82**	**0.31**	**3.69**	**43.52**
Additions	0.10	9.31	0.35	-	0.06	0.83	10.65
Disposals	(0.19)	(3.23)	(0.33)	-	-	(0.62)	(4.37)
As at March 31, 2026	**2.22**	**37.22**	**4.27**	**1.82**	**0.37**	**3.90**	**49.80**
Accumulated depreciation							
As at April 01, 2024	**1.38**	**4.97**	**1.18**	**0.62**	**0.21**	**2.27**	**10.63**
Depreciation charge for the year	0.58	3.64	0.79	0.20	0.04	0.34	5.59
Disposals	(0.01)	(0.43)	(0.02)	-	-	(0.00)*	(0.46)
As at March 31, 2025	**1.95**	**8.18**	**1.95**	**0.82**	**0.25**	**2.61**	**15.76**
Depreciation charge for the year	0.26	5.62	0.73	0.17	0.05	0.66	7.49
Disposals	(0.19)	(3.23)	(0.33)	-	-	(0.62)	(4.37)
As at March 31, 2026	**2.02**	**10.57**	**2.35**	**0.99**	**0.30**	**2.65**	**18.88**
Net carrying amount							
As at March 31, 2026	**0.20**	**26.65**	**1.92**	**0.83**	**0.07**	**1.25**	**30.92**
As at March 31, 2025	**0.36**	**22.96**	**2.30**	**1.00**	**0.06**	**1.08**	**27.76**

**Less than ₹ 0.01 crore.*

Notes:

1. Movable assets have been pledged to secure borrowings of the Company (refer note 27).

2. Refer note 48 for capital commitments.

Note 5 Capital work-in-progress ('CWIP')

Particulars	Amount
As at April 01, 2024	**3.91**
Addition	-
Capitalisation	(3.91)
As at March 31, 2025	**-**
Addition	-
Capitalisation	-
As at March 31, 2026	**-**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 6 Intangible assets

Particulars	Business application development cost	Trademark	Computer Software	Total
Gross carrying amount				
As at April 01, 2024	**2.07**	**8.45**	**3.23**	**13.75**
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2025	**2.07**	**8.45**	**3.23**	**13.75**
Additions	-	-	42.51	42.51
Disposals	-	-	-	-
As at March 31, 2026	**2.07**	**8.45**	**45.74**	**56.26**
Accumulated amortisation				
As at April 01, 2024	**1.57**	**3.40**	**2.15**	**7.12**
Amortisation charge for the year	-	1.20	1.05	2.25
Disposals	-	-	-	-
As at March 31, 2025	**1.57**	**4.60**	**3.20**	**9.37**
Amortisation charge for the year	-	1.19	2.41	3.60
Disposals	-	-	-	-
As at March 31, 2026	**1.57**	**5.79**	**5.61**	**12.97**
Net carrying amount				
As at March 31, 2026	**0.50**	**2.66**	**40.13**	**43.29**
As at March 31, 2025	**0.50**	**3.85**	**0.03**	**4.38**

Notes:

1. Refer note 48 for capital commitments.

2. Refer note 58

Note 7 Right of use assets

Particulars	Buildings
Gross carrying amount	
As at April 01, 2024	**19.12**
Additions	6.21
Disposals	(7.42)
As at March 31, 2025	**17.91**
Additions	6.73
Disposals	(5.66)
As at March 31, 2026	**18.98**
Accumulated depreciation	
As at April 01, 2024	**15.14**
Depreciation charge for the year	3.74
Disposals	(7.42)
As at March 31, 2025	**11.46**
Depreciation charge for the year	5.22

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Buildings
Disposals	(5.14)
As at March 31, 2026	**11.54**
Net carrying amount	
As at March 31, 2026	**7.44**
As at March 31, 2025	**6.45**

Note 8 Intangible assets under development ('IAUD')

Particulars	Amount
As at April 01, 2024	**5.24**
Addition	14.13
Capitalisation	-
As at March 31, 2025	**19.37**
Addition	23.14
Capitalisation	(42.51)
As at March 31, 2026	**-**

Intangible assets under development ageing schedule:

Particulars	Amount of the IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2026	-	-	-	-	-
As at March 31, 2025	14.13	5.24	-	-	19.37

Note:

1) There are no overdue or cost overrun projects compared to its original plan and no projects which are temporarily suspended, on the above-mentioned reporting date.

Note 9 Non-current investments (unquoted)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments in subsidiaries (unquoted, fully paid up)		
(A) Investments in equity and preference shares of subsidiaries (at cost)		
FSN Brands Marketing Private Limited	102.00	102.00
10,20,00,000 fully paid equity shares of ₹ 10 each (March 31, 2025: 10,20,00,000 fully paid equity shares of ₹ 10 each)		
Nykaa E-Retail Limited(1)	9.52	9.51
95,20,000 fully paid equity shares of ₹ 10 each (March 31, 2025: 95,10,000 fully paid equity shares of ₹ 10 each)		
FSN International Limited(2)	45.08	45.08
4,50,78,000 fully paid equity shares of ₹ 10 each (March 31, 2025: 4,50,78,000 fully paid equity shares of ₹ 10 each)		
Nykaa Fashion Limited	175.01	175.01
17,50,10,000 fully paid equity shares of ₹ 10 each (March 31, 2025: 17,50,10,000 fully paid equity shares of ₹ 10 each)		
Nykaa-KK Beauty Private Limited	0.51	0.51

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
5,10,000 fully paid equity shares of ₹ 10 each (March 31, 2025: 5,10,000 fully paid equity shares of ₹ 10 each)		
Dot & Key Wellness Limited (formerly known as Dot & Key Wellness Private Limited)(3)	418.47	415.10
12,29,622 fully paid equity shares of ₹ 10 each (March 31, 2025: 12,26,459 fully paid equity shares of ₹ 10 each)		
FSN Distribution Limited	0.01	0.01
10,000 fully paid equity shares of ₹ 10 each (March 31, 2025: 10,000 fully paid equity shares of ₹ 10 each)		
Nudge Wellness Private Limited(4)	3.74	3.60
60,00,250 fully paid equity shares of ₹ 10 each (March 31, 2025: 36,00,150 fully paid equity shares of ₹ 10 each)		
Nykaa Foundation	0.01	0.01
9,993 fully paid equity shares of ₹ 10 each (March 31, 2025: 9,993 fully paid equity shares of ₹ 10 each)		
Nykaa Essentials(5)	0.05	-
50,000 fully paid equity shares of ₹ 10 each Investment in Nykaa essentials private limited (March 31, 2025: Nil)		
Earth Rhythm Private Limited(6)		
336 fully paid equity shares of ₹ 10 each (March 31, 2025: 336 fully paid equity shares of ₹ 10 each)	1.70	1.70
8151 Seed Compulsory Convertible Preference Shares ('CCPS') of ₹ 10 each (March 31, 2025: 8151 Seed Compulsory Convertible Preference Shares ('CCPS') of ₹ 10 each)	11.50	11.50
48,820 Series A CCPS of ₹10 each (March 31, 2025: 48,820 Series A CCPS of ₹10 each)	62.95	62.95
8143 Optionally Convertible Redeemable Preference Shares of ₹10 each (March 31, 2025: 4,071 Optionally Convertible Redeemable Preference Shares of ₹10 each) (net of call option)	6.05	1.05
12,226 Share Warrants of ₹ 0.10 each (March 31, 2025: 12,226 Share Warrants of ₹ 0.10 each)	0.00*	0.00*
Total investments in subsidiaries measured at cost (A)	**836.60**	**828.03**
(B) Equity component – loans to subsidiaries		
FSN Brands Marketing Private Limited	24.94	24.94
Nykaa E-Retail Limited	1.61	1.61
Nykaa Fashion Limited	13.80	13.80
Nykaa-KK Beauty Private Limited	0.66	0.66
FSN International Limited	0.18	0.18
Total equity component of loans to subsidiaries (B)	**41.19**	**41.19**
(C) Equity component – financial guarantees		
FSN Brands Marketing Private Limited	4.44	4.44
Nykaa E-Retail Limited	19.45	19.45
Nykaa Fashion Limited	0.28	0.28
Nykaa-KK Beauty Private Limited	0.51	0.51
Total equity component of financial guarantees (C)	**24.68**	**24.68**
(D) Equity component – ESOP		

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
FSN Brands Marketing Private Limited	1.98	1.98
Nykaa E-Retail Limited	30.45	30.45
Nykaa Fashion Limited(7)	8.43	8.43
FSN Distribution Limited	0.31	0.31
Total equity component of ESOP (D)	**41.17**	**41.17**
Total investment - equity component (E = B+C+D)	**107.04**	**107.04**
Measured at fair value through Other Comprehensive Income (FVTOCI)		
Investment in Others (unquoted, fully paid up)		
JMS Logistics and Express Private Limited(8)		
In Series A1 Compulsory Convertible Cumulative Preference Shares of ₹ 1/- each	-	-
Total investments measured at FVTOCI (F)	-	-
Total non-current investments (A+E+F)	**943.64**	**935.07**
Category-wise investment		
Measured at Cost	943.64	935.07
Measured at FVTOCI	-	-
Total investments	**943.64**	**935.07**
Aggregate amount of unquoted investments	943.64	935.07
Aggregate amount of impairment in value of investments (9)	3.80	3.80

** Less than ₹ 0.01 crore.*

(1) During the current year, the Company has acquired 10,000 shares of ₹ 10 each pursuant to scheme of arrangement between FSN Distribution Limited(FSND) and Nykaa E-Retail Limited(NER) on May 09, 2025, both wholly owned subsidiaries of the Company, to demerge e-B2B business from FSND to NER.

(2) During the previous year ended March 31, 2025, the Company has invested in 2,00,00,000 shares of ₹10 each.

(3) On September 28, 2021, the Company had acquired 51% stake in Dot & Key Wellness Limited (formerly known as Dot & Key Wellness Private Limited) ('Dot & Key') for a consideration of ₹ 96.90 crore. Accordingly, effective such date Dot & Key had become a subsidiary of the Company. Further, the Promoter shareholders of Dot & Key (NCI holder of the subsidiary) had Put Option for selling balance stake of 49% to the Company at a value to be determined as per the terms of Shareholders Agreement. The fair value of the Put Option on the date of acquisition of ₹ 50.28 crore had been included in the cost of investments and any subsequent changes in the fair valuation has been routed through profit and loss account in accordance with Ind AS 109. Consequent to the above, the Company has recorded a loss / (gain) as Other Expense / Income of ₹ (13.26) crore (₹ 1.84 crore during the previous year). During the year, the Company has acquired 0.02% stake for a consideration of ₹ 3.37 crore and now holds 90.06% of equity interest.

(4) On February 05, 2026, the Company has acquired remaining 40% stake in Nudge Wellness Private Limited for a consideration of ₹ 0.14 Crore and now holds 100% equity interest post such investment.

(5) During the current year, the Company invested in Nykaa Essentials Private Limited amounting to ₹ 0.05 crore.

(6) On November 26, 2024, the Company had acquired additional stake in Earth Rhythm Private Limited ('Earth Rhythm') for a consideration of ₹ 39.50 crore and held 74.63% equity interest (including Optionally Convertible Redeemable Preference Shares) post such investment. Accordingly, effective such date Earth Rhythm had become a subsidiary of the Company. Further, the Company has call option on Promoter shareholders of Earth Rhythm (NCI holder of the subsidiary) for buying balance stake at a value to be determined as per the terms of Shareholders Agreement. The fair value of the Call Option on the date of acquisition of ₹ 3.95 crores had been included in the cost of investments. During the year, the Company has also acquired additional stake in Earth Rhythm Private Limited for a consideration of ₹ 5.00 Crore on June 09, 2025 and now holds 75.83% equity interest (including Optionally Convertible Redeemable Preference Shares) post such investment."

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(7) Includes ₹1.35 Crore pertaining to Iluminar Media Limited ('LBB') which has been merged with Nykaa Fashion Limited ('NFL') with appointed date April 01, 2024, pusuant to the Scheme of Merger approved by NCLT on May 27, 2025 and accordingly balances have been merged with NFL.

(8) Investments at fair value through OCI (fully paid) reflect investment in unquoted securities. These securities are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

(9) The Company had invested ₹ 3.80 crore, which has been impaired in earlier years.

Note 10 Loans (non current)

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Loan to subsidiaries (refer note 47 and 49)	540.47	395.00
Total	**540.47**	**395.00**

The above loans are measured at amortised cost and have been given for business purpose.

Note 11 Other financial assets (non-current) (measured at amortised cost)

Particulars	As at March 31, 2026	As at March 31, 2025
Sublease net investments	14.86	0.52
Security deposits (unsecured, considered good)	1.00	0.19
Measured at FVTPL		
Call option asset (refer note 9(6))	1.18	1.18
Total	**17.04**	**1.89**

Note 12 Income tax

(a) The major components of income tax expense / (credit) are:

(1) Income tax expense reported in the statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax:		
In respect of current year	12.97	11.57
In respect of earlier year#	4.26	5.23
	17.23	**16.80**
Deferred tax:		
In respect of current year	12.04	(11.64)
In respect of earlier year#	(4.20)	(5.23)
	7.84	**(16.87)**
Income tax benefit reported in the Statement of Profit and Loss	**25.07**	**(0.07)**

#On account of actualization of income tax return filed for AY 2025-26 and AY 2024-25 respectively.

(2) OCI section - Deferred tax related to items recognised in OCI during the year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax related to items recognised in OCI during the year:		
Tax (expense) / income on remeasurements of defined benefit plans	(0.02)	0.32
Income tax credited / (charged) to OCI	**(0.02)**	**0.32**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	112.93	97.29
Applicable tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	28.43	24.49
Tax effect of:		
Unwinding of interest cost as per Ind AS 109	-	(1.19)
Fair value of put option	(3.34)	0.46
Tax impact on slump sale transaction (refer note 58)	-	(20.80)
Others (mainly includes permanent differences)	(0.02)	(3.03)
Total Tax	**25.07**	**(0.07)**
Current tax expense	17.23	16.80
Deferred tax expense / (credit)	7.84	(16.87)
Tax expense recognised in the Statement of Profit and Loss	**25.07**	**(0.07)**
Effective tax rate	**22.20%**	**(0.07%)**

(c) Reconciliation of average effective tax rate and applicable tax rate for March 31, 2026 and March 31, 2025:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	112.93	97.29
Applicable tax rate	25.17%	25.17%
Tax effect of:		
Unwinding of interest cost as per Ind AS 109	-	(1.22%)
Fair value of put option	(2.95%)	0.48%
Tax impact on slump sale transaction (refer note 58)	-	(21.38%)
Others (mainly includes permanent differences)	(0.02%)	(3.11%)
Total Tax	**22.20%**	**(0.07%)**
Current tax expense	15.26%	17.27%
Deferred tax expense / (credit)	6.94%	(17.34%)
Effective tax rate	**22.20%**	**(0.07%)**

Deferred tax assets (net):

Particulars	As at March 31, 2026	As at March 31, 2025
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	2.39	1.39
On timing difference between depreciation as per books and as per the Income-tax Act, 1961	43.88	53.25
Lease related liabilities	6.55	2.65
Allowance for expected credit losses	0.41	0.91
Others	2.60	1.57
Deferred tax assets (A)	**55.82**	**59.77**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease related assets	6.45	2.54
Deferred tax liabilities (B)	**6.45**	**2.54**
Deferred tax assets (net) (C=A-B)	**49.37**	**57.23**

Reconciliation of deferred tax assets (net):

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	57.23	40.04
Tax (expense) / income during the year recognised in profit or loss	(7.84)	16.87
Tax (expense) / income during the year recognised in OCI	(0.02)	0.32
Closing balance	**49.37**	**57.23**

Note 13 Other non-current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advance for capital goods	0.20	0.49
Balance with statutory / government authorities	0.64	0.14
Total	**0.84**	**0.63**

Note 14 Inventories (Valued at lower of cost or net realisable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Stock-in-trade*	73.16	69.01
Finished goods#	1.70	12.29
Raw materials	1.47	3.97
Packing material	1.28	0.85
Total	**77.61**	**86.12**
Provision for inventories taking into account various factors, including obsolescence of material, unserviceable items and ageing of material.	8.39	4.64

** Includes goods in transit as at March 31, 2026: ₹ 13.72 crore (March 31, 2025: ₹ 2.59 crore)*

 # Includes goods in transit as at March 31, 2026: ₹ 1.14 crore (March 31, 2025: ₹ 7.87 crore)

Refer note 58

Note 15 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables - unsecured, considered good	95.75	47.71
Trade receivables - credit impaired	1.62	3.62
Gross trade receivables	97.37	51.33
Less: Allowances for expected credit loss (refer note 51)	(1.62)	(3.62)
Total	**95.75**	**47.71**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Trade receivables aging schedule (gross):

March 31, 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed trade receivables – unsecured, considered good	57.75	38.00	-	-	-	-	95.75
Undisputed trade receivables – credit impaired	-	0.09	0.80	0.09	0.55	0.09	1.62
Total	**57.75**	**38.09**	**0.80**	**0.09**	**0.55**	**0.09**	**97.37**

March 31, 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed trade receivables – unsecured, considered good	15.41	32.30	-	-	-	-	47.71
Undisputed trade receivables – credit impaired	-	0.08	2.86	0.56	0.12	-	3.62
Total	**15.41**	**32.38**	**2.86**	**0.56**	**0.12**	**-**	**51.33**

Notes:

1. Refer note 47 for details of trade receivable with related parties.
2. Refer note 51 for credit risk assessment
3. Refer note 58

Note 16 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks in current accounts	4.70	5.50
Total	**4.70**	**5.50**

Note 17 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits with original maturity for more than three months but less than twelve months		
- With Banks / Financial Institution	77.68	22.36
Earmarked deposit with banks*	0.15	0.76
Total	**77.83**	**23.12**

**Represents amount transferred for CSR expenditure*

Note 18 Loans (current)

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Loan to subsidiaries (refer note 47 and 49)	174.40	150.20
Total	**174.40**	**150.20**

The above loans are measured at amortised cost and have been given for business purpose.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Loans or advances in the nature of loans granted to the related parties that are repayable on demand:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding		% of total loans or advance in the nature of loan	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Subsidiaries (refer note 49)	174.40	150.20	24.39%	27.55%

Note 19 Other financial assets (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Sublease net investments	3.43	3.23
Security deposits (unsecured, considered good)	-	1.09
Current maturities of deposits with Bank/Financial Institution having original maturity of more than twelve months	25.26	35.85
Unbilled receivable	24.37	27.27
Interest accrued but not due on deposits and loans	3.88	5.28
Measured at FVTPL		
Call option asset (refer note 9(6))	2.77	2.77
Total	**59.71**	**75.49**

Movement in interest accrued on deposit but not due

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	5.28	8.42
Interest accrued during the year (excluding amortisation impact)	51.96	54.47
Receipt of interest during the year	(53.36)	(57.61)
Closing balance	**3.88**	**5.28**

Note 20 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advances other than capital advances		
Advance to Suppliers (refer note 58)	10.85	6.02
Prepaid expenses	3.05	5.79
Balance with statutory / government authorities	6.13	11.76
Total	**20.03**	**23.57**

Note 21 Share capital

Particulars	Equity shares	
	Numbers	Amount
Authorised Share Capital		
As at April 01, 2024 (shares of face value of ₹ 1 each)	**3,25,00,00,000**	**325.00**
Increase during the year	-	-
As at March 31, 2025 (shares of face value of ₹ 1 each)	**3,25,00,00,000**	**325.00**
Increase during the year	-	-
As at March 31, 2026 (shares of face value of ₹ 1 each)	**3,25,00,00,000**	**325.00**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Issued, subscribed and fully paid-up share capital

Particulars	Equity shares	
	Numbers	Amount
As at April 01, 2024	**2,85,59,85,609**	**285.60**
Issue of equity shares of face value of ₹ 1 each	32,66,874	0.33
As at March 31, 2025	**2,85,92,52,483**	**285.93**
Issue of equity shares of face value of ₹ 1 each	39,74,873	0.40
As at March 31, 2026	**2,86,32,27,356**	**286.33**

Notes:

(a) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders' approval.

(b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Sanjay Nayar (through family trust)	60,20,84,620	21.03%	63,41,13,520	22.18%
Falguni Nayar (through family trust)	60,20,84,620	21.03%	62,58,34,620	21.89%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(c) Shares reserved for issue under option

The Company has reserved issuance of 21,00,00,000 (March 31, 2025: 21,00,00,000) Equity Shares of ₹ 1 each for offering to Eligible Employees of the Company and its subsidiaries under Employees Stock Option Scheme (ESOS). During the year ended March 31, 2026 the Company has granted 11,39,000 options to its employees (March 31, 2025: 6,50,000). Cumulative number of equity shares granted under Employee Stock Option Scheme (ESOS) is 6,28,55,800 equity shares as at March 31, 2026. (March 31, 2025: 6,17,16,800).

(d) Shares issued for consideration other than cash

1)The Company had issued 2,37,35,63,075 bonus shares of face value of ₹ 1 each during the year vide shareholders' approval dated November 02, 2022 in the ratio of 5 bonus shares for every 1 share held.

2) The Company had issued 31,13,57,900 bonus shares of face value of ₹ 1 each during the year 2022 vide shareholders' approval dated July 16, 2021 in the ratio of 2 bonus shares for every 1 share held.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

e) Details of promoter shareholding:

As at March 31, 2026

Promoter Name	Description	No. of shares at the beginning of the year	% of Total Shares	No. of shares at the end of the year	% of Total Shares	% change during the year
Individuals:	Equity shares of ₹ 1 each fully paid up					
Anchit Nayar		9,60,480	0.03%	9,60,480	0.03%	(0.00%)
Adwaita Nayar		1,80,360	0.01%	1,80,360	0.01%	(0.00%)
Rashmi Mehta		63,162	0.00%	63,162	0.00%	(0.00%)
Through Family Trust:						
Sanjay Nayar Family Trust		63,41,13,520	22.18%	60,20,84,620	21.03%	(1.15%)
Falguni Nayar Family Trust		62,58,34,620	21.89%	60,20,84,620	21.03%	(0.86%)
Anchit Nayar Family Trust		8,66,20,000	3.03%	9,84,95,000	3.44%	0.41%
Adwaita Nayar Family Trust		8,66,20,000	3.03%	9,84,95,000	3.44%	0.41%
Adwaita Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	4,45,14,450	1.55%	0.55%
Anchit Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	4,45,14,450	1.55%	0.55%
Total		**1,49,13,92,142**	**52.17%**	**1,49,13,92,142**	**52.09%**	**(0.09%)**

As at March 31, 2025

Promoter Name	Description	No. of shares at the beginning of the year	% of Total Shares	No. of shares at the end of the year	% of Total Shares	% change during the year
Individuals:	Equity shares of ₹ 1 each fully paid up					
Anchit Nayar		9,60,480	0.03%	9,60,480	0.03%	(0.00%)
Adwaita Nayar		1,80,360	0.01%	1,80,360	0.01%	(0.00%)
Rashmi Mehta		63,162	0.00%	63,162	0.00%	(0.00%)
Through Family Trust:						
Sanjay Nayar Family Trust		63,41,13,520	22.20%	63,41,13,520	22.18%	(0.02%)
Falguni Nayar Family Trust		62,58,34,620	21.91%	62,58,34,620	21.89%	(0.02%)
Anchit Nayar Family Trust		8,66,20,000	3.03%	8,66,20,000	3.03%	(0.00%)
Adwaita Nayar Family Trust		8,66,20,000	3.03%	8,66,20,000	3.03%	(0.00%)
Adwaita Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	2,85,00,000	1.00%	(0.00%)
Anchit Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	2,85,00,000	1.00%	(0.00%)
Total		**1,49,13,92,142**	**52.21%**	**1,49,13,92,142**	**52.17%**	**(0.04%)**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 22 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Securities premium		
Opening balance	1,260.49	1,235.43
Add: Securities premium on issue of shares	38.12	18.15
Add: Transfer from employee share options scheme reserve	15.91	6.91
Closing balance (A)	**1,314.52**	**1,260.49**
(ii) Retained earnings		
Opening balance	345.13	246.91
Add: Net profit for the year	87.86	97.36
Add: Shares lapsed during the year under ESOP scheme	1.66	1.03
Add: Intra-group transactions (Refer note 58)	-	(6.67)
Add / (less): Transfer to capital reserve (Refer note 58)	-	6.50
Closing balance (B)	**434.65**	**345.13**
(iii) Other comprehensive income		
Opening balance	(4.32)	(3.37)
Add: Other comprehensive (loss) / income for the year	0.07	(0.95)
Closing balance (C)	**(4.25)**	**(4.32)**
(iv) Share application money pending allotment		
Opening balance	0.08	0.50
Add : Additions during the year	38.66	18.06
Less: Shares allotted during the year	(38.52)	(18.48)
Closing balance (D)	**0.22**	**0.08**
(v) Employee share options scheme reserve		
Opening balance	37.07	28.11
Add : Additions during the year	16.71	16.90
Less: Shares allotted / lapsed during the year	(17.57)	(7.94)
Closing balance (E)	36.21	37.07
(vi) Capital reserve		
Opening balance	(264.77)	(258.27)
Add: Acquired shares of Nykaa E-Retail Limited (refer note 9(1))	0.01	-
Less: Transfer from retained earnings (refer note 58)	-	(6.50)
Closing balance (F)	**(264.76)**	**(264.77)**
Total (A+B+C+D+E+F)	**1,516.59**	**1,373.68**

Nature and purpose of reserves:

(i) **Securities premium:** Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to Securities Premium.

(ii) **Retained earnings:** Retained Earnings are the profits / (losses) that the Company has earned till date, less any dividends or other distributions paid to shareholders.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(iii) Other Comprehensive Income: This represents the cumulative gains and losses arising on remeasurement of defined employee benefit plan.

(iv) Share application money pending allotment: This represents the share application money received for Employee Stock Option Scheme for which shares are allotted during the current financial year.

(v) Employee share options scheme reserve: The fair value of the equity-settled share based payment transactions with employees is recognised in employee share options scheme reserve.

(vi) Capital Reserve: The Capital Reserve includes a) amount on account of forfeiture of partly paid up OCRPS and security premium thereon and b) difference between carrying amount of net assets acquired and consideration paid (refer note 58). The amount is not available for distribution to shareholders.

Note 23 Borrowings (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Loan from related party (refer note 47)	95.00	-
Total	**95.00**	**-**

Terms of loan:

1) Loan from related party carries an interest rate referenced to the government security rate close to the tenure of the loan and mutually agreed spread. The above is for the period of 3 years and the interest rate being charged is 8.00% - 9.00% p.a. (March 31, 2025: Nil).

Note 24 Lease liabilities (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable for lease liabilities (refer note 45)	18.60	3.66
Total	**18.60**	**3.66**

Note 25 Other financial liabilities (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liabilities at FVTPL		
Put option liability (refer note 9(3))	-	13.26
Total	**-**	**13.26**

Note 26 Provisions (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer note 46 and 58)	4.66	3.40
Provision for litigation (refer movement below)	2.69	0.47
Total	**7.35**	**3.87**

Movement in provision for litigation	As at March 31, 2026	As at March 31, 2025
Opening balance	0.47	0.47
Add: Provision	2.43	-
Less: Reversal	0.21	-
Closing balance	**2.69**	**0.47**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 27 Borrowings (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Working capital loan from Banks	87.00	75.74
Total	**87.00**	**75.74**

Notes:

(i) Working capital / cash credit facilities from Bank is secured by hypothecation of book debts, current assets and movable property, plant and equipment both present and future.

(ii) Loans are payable on demand. Interest payable on working capital loan ranging from 7.5% - 9% p.a.

(iii) Bank loan contains certain financial covenants and there have been no breaches in the financial covenants of any interest-bearing borrowings.

(iv) As at March 31, 2026, the Company had undrawn committed funded and non-funded borrowing facilities of ₹ 91.00 crore (March 31, 2025: ₹ 102.26 crore).

(v) Quarterly statements of current assets filed by the Company with banks are in agreement with the books of accounts.

Note 28 Lease liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable for lease liabilities (refer note 45)	7.40	6.87
Total	**7.40**	**6.87**

Note 29 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	4.27	1.25
Total outstanding dues of trade payables other than micro enterprises and small enterprises	15.43	41.00
Total	**19.70**	**42.25**

Notes:

1. Trade payables are non interest bearing.
2. Refer note 47 for trade payables to related parties.
3. Refer note 58

Details of dues to Micro and Small enterprises as defined under the MSMED Act, 2006:

The identification of Micro and Small Enterprises is based on the Management's knowledge of their status. Disclosure is based on the information available with the Company regarding the status of the suppliers as defined under 'The Micro, Small and Medium Enterprises Development Act, 2006'.

Particulars		March 31, 2026	March 31, 2025
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	4.27	1.25
b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.07	0.05

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	March 31, 2026	March 31, 2025
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Trade payables aging schedule :

As at March 31, 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	4.27	-	-	-	4.27
Total outstanding dues of creditors other than micro enterprises and small enterprises	8.07	6.96	0.33	0.07	0.01	15.43
Total	**8.07**	**11.23**	**0.33**	**0.07**	**0.01**	**19.70**

As at March 31, 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	0.22	1.03	-	-	-	1.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	34.35	6.21	0.07	0.14	0.23	41.00
Total	**34.57**	**7.24**	**0.07**	**0.14**	**0.23**	**42.25**

Note 30 Other financial liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Employee related liabilities (refer note 58)	7.37	5.49
Accrued expenses (refer note 58)	88.74	59.81
Creditors for capital goods	1.56	6.41
Interest accrued but not due on borrowings	0.74	0.16
Measured at FVTPL		
Mark to market derivative instrument	-	0.02
Total	**98.41**	**71.89**

Refer note 47 related party disclosures for accrued expenses and employee related liabilities.

Movement in Interest accrued but not due and finance charge:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	0.16	0.33
Interest and finance charge accrued during the year	9.53	6.82
Payment of interest and finance charge during the year	(8.95)	(6.99)
Closing balance	**0.74**	**0.16**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 31 Provisions (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer note 46 and 58)	2.12	0.75
Provision for compensated absences (refer note 58)	2.72	1.35
Total	**4.84**	**2.10**

Note 32 Contract liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers (refer note 58)	1.01	0.68
Deferred Income	3.33	-
Total	**4.34**	**0.68**

Note 33 Other liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	16.72	9.90
Total	**16.72**	**9.90**

Note 34 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	356.51	419.95
Total	**356.51**	**419.95**

Revenue from geographical market	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	356.51	419.95
Outside India	-	-
Total	**356.51**	**419.95**

(A) Disaggregation of revenue from contracts with customers

The Company derives its major revenue from sale of products by selected platforms, which is a single line of business.

(B) Contract Balances

Particulars	For the year ended March 31, 2026	As at March 31, 2025
Trade receivables (Refer note 15)	95.75	47.71
Contract liabilities (Refer note 32)	1.01	0.68

(C) Reconciliation between the contract price and revenue from contracts with customers

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract Price	356.84	420.25
Revenue recognised in the period from:		

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue recognised in the current year from contract liability:		
Advance from Customer	0.68	0.38
Revenue deferred in the current year towards unsatisfied performance obligation:		
Advance from Customer	(1.01)	(0.68)
Revenue from operations	**356.51**	**419.95**

Refer note 58

Note 35 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest Income on financial assets at amortised costs		
Loan given to subsidiaries (refer note 47)	46.98	56.14
Net investment (sublease)	0.63	0.58
Security deposit	0.12	0.11
Bank deposit	4.98	3.07
(b) Others		
Fair value of put option liability (refer note 9)	13.26	-
Foreign exchange gain (net) (refer note 58)	0.49	0.24
Brand usage fees	108.69	85.29
Commission on financial guarantees	10.38	9.65
Gain on cancellation of lease	0.01	-
Miscellaneous income	3.16	2.25
Interest on Income tax refund	0.63	-
Total	**189.33**	**157.33**

Note 36 Cost of material consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Stock	3.97	4.36
Add: Purchase	1.43	8.91
Closing Stock	1.47	3.97
Total	**3.93**	**9.30**

Refer note 58

Note 37 Purchase of traded goods

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases of traded goods	142.62	165.66
Total	**142.62**	**165.66**

Refer note 58

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 38 Changes in inventories of finished goods and stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Finished goods		
Opening stock	12.29	24.92
Closing stock	1.70	12.29
Changes in inventories of finished goods	**10.59**	**12.63**
Stock-in-trade		
Opening stock	69.01	73.91
Closing stock	73.16	69.01
Changes in inventories of stock-in-trade	**(4.15)**	**4.90**
Packing Material		
Opening stock	0.85	0.08
Closing stock	1.28	0.85
Changes in inventories of packing material	**(0.43)**	**(0.77)**
Total	**6.01**	**16.76**

Refer note 58

Note 39 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	53.99	54.86
Contribution to provident fund (refer note 46)	4.25	3.91
Gratuity expenses (refer note 46)	1.42	0.78
Compensated expenses	0.93	0.55
Share based payments (refer note 54)	4.73	4.07
Staff welfare expenses	2.30	1.95
Total	**67.62**	**66.12**

Refer note 58

Note 40 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expenses on borrowings	5.31	6.54
Interest on inter company loan	3.75	-
Interest expenses on lease liabilities (refer note 45)	1.45	1.04
Other interest charges	1.19	0.05
Other finance charges	0.47	0.28
Total	**12.17**	**7.91**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 41 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (refer note 4)	7.49	5.59
Depreciation of right-of-use assets (refer note 7)	5.22	3.74
Amortisation of intangible assets (refer note 6)	3.60	2.25
Total	**16.31**	**11.58**

Refer note 58

Note 42 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Marketing and advertisement expenses	78.50	75.87
Beauty advisor expenses	20.34	21.39
Legal and professional fees	13.53	19.27
Web and technology expenses	1.88	1.05
Freight expenses	13.88	16.71
Outsource warehouse manpower expense	7.61	8.01
Recruitment expenses	0.95	1.67
Travelling and conveyance expenses	6.75	8.19
Expected credit loss	(1.78)	(1.14)
Communication expenses	0.43	0.75
Rates and taxes	1.56	4.83
Insurance expenses	1.92	1.75
Rent and maintenance expenses	2.03	5.24
Director sitting fees and commission	1.26	1.34
Fair value of put option liability (refer note 9)	-	1.84
Bad debts written off	0.14	0.05
Repairs and maintenance - others	1.14	0.92
Security expenses	1.38	1.61
Selling expenses	23.13	24.76
Electricity charges	0.50	0.51
Bank charges	0.07	0.08
Warehouse operation management expenses	1.58	1.89
Product testing & development charges	1.24	1.03
Auditors remuneration		
- Audit fees	1.04	0.96
- Other matters	0.01	0.05
- Out of pocket expenses	0.10	0.17
Expenditure towards Corporate Social Responsibility (CSR) activities (refer note 57)	1.71	1.69
Miscellaneous expenses	1.22	2.16
Total	**182.12**	**202.66**

Refer note 58

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 43 Exceptional items

On November 21, 2025, the Government of India notified four Labour Codes—the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety, Health and Working Conditions Code, 2020—thereby consolidating 29 existing labour laws. The Ministry of Labour & Employment subsequently issued draft Central Rules and FAQs to facilitate assessment of the financial impact arising from the regulatory changes.

The Company has evaluated and disclosed the impact of these changes based on the best information available, in line with the guidance issued by the Institute of Chartered Accountants of India. Considering the materiality and the regulatory-driven non-recurring nature of the impact, the Company has presented the incremental impact of ₹ 2.13 crore as "Statutory impact of new Labour Codes" under "Exceptional Items" in the financial statements for the year ended March 31, 2026.

The Company continues to monitor the finalisation of Central and State Rules, as well as further clarifications from the Government, and will recognise appropriate accounting effects based on such developments, as and when required.

Note 44 Earnings per share (EPS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Nominal value of per equity share	1/-	1/-
Profit after tax (A)	87.86	97.36
Total number of shares outstanding during the year	2,86,32,27,356	2,85,92,52,483
Weighted average number of equity shares outstanding during the year (B)	2,86,13,30,240	2,85,77,78,495
Basic EPS (A/B)	**0.31**	**0.34**
Dilutive effect on weighted average number of equity shares outstanding during the year (C)	44,53,081	46,07,958
Weighted average number of diluted equity shares (D=B+C)	2,86,57,83,321	2,86,23,86,453
Diluted EPS (A/D)	**0.31**	**0.34**

Refer note 58

Note 45 Leases

The Company as lessee

The Company has lease contracts for premises obtained for offices, warehouse etc. Leases of premises generally have lease terms between 2 to 5 years.

The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Refer note 7 for carrying value of right of use assets.

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

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	10.53	12.40
Addition	25.26	6.17
Accretion of interest	1.45	1.04
Deletion due to closure	(0.96)	
Payments	(10.29)	(9.08)
Closing balance	26.00	10.53
Non-current	18.60	3.66
Current	7.40	6.87
Total	**26.00**	**10.53**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

The effective interest rate for lease liabilities as at March 31, 2026 ranges between 9.45% to 10.50% (March 31, 2025: 9.45% to 10.5%)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation expenses of right of use assets	5.22	3.74
Interest expenses on lease liabilities	1.45	1.04
Expenses relating to short term leases*	2.03	5.24
Total amount recognised in Statement of Profit and Loss	**8.70**	**10.02**

**includes CAM charges*

The Company earned rental income from sublease of ₹ 4.58 crore (March 31, 2025: ₹ 4.71 crore)

Note 46 Defined Benefit Plan and Other Long Term Employee Benefit Plan:

I) Defined Contribution Plan

During the year, the Company has made contribution/provision to provident fund stated under defined contribution plan amounting to ₹ 3.26 crore (March 31, 2025: ₹ 3.91 crore) and the same has been recognised as an expense in the Statement of Profit and Loss.

II) Defined Benefit Plans

The Company operates a defined benefit gratuity plan for its employees (including contractual employees). The gratuity benefits payable to employees are based on the employee's service and last drawn salary at the time of leaving. The Company has provided for gratuity based on actuarial valuation done as per projected unit credit method.

A. The following tables set out the amounts recognised in the Company's financial statements"

i. Amount to be recognised in the Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Amount to be recognised in balance sheet		
Present value of defined benefit obligation	6.78	4.15
Less: Fair value of plan assets	-	-
Funded status – deficit / (surplus)	6.78	4.15
Net liability recognised in balance sheet	**6.78**	**4.15**
Non current	4.66	3.40
Current	2.12	0.75
Net liability recognised in balance sheet	**6.78**	**4.15**

ii. Changes in the present value of defined benefit obligation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reconciliation of defined benefit obligation		
Opening defined benefit obligation	4.15	2.42
Current service cost	1.31	0.63
Past service cost	1.60	-
Interest cost	0.27	0.15
Actuarial loss in obligation due to changes in financial assumptions	0.01	0.07
Actuarial loss / (gain) in obligation due to changes in demographic	(0.19)	0.34
Actuarial loss in obligation due to changes in experience adjustments	0.09	0.86
Benefit paid	(0.88)	(0.34)
Liability transferred*	0.42	0.02
Closing defined benefit obligations	**6.78**	**4.15**

** on account of intra group transfer.*

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

iii. Amount for the year ended March 31, 2026 and March 31, 2025 recognised in the Statement of Profit and Loss under employee benefit expenses, outsource warehouse manpower expense, exceptional item and other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	1.31	0.63
Past service cost	1.60	-
Interest expenses	0.27	0.15
Amounts recognised in the Statement of Profit and Loss	**3.18**	**0.78**
Actuarial loss in obligation due to changes in financial assumptions	0.01	0.07
Actuarial loss / (gain) in obligation due to changes in demographic	(0.19)	0.34
Actuarial loss in obligation due to changes in experience adjustments	0.09	0.86
Amount recognised in Other Comprehensive Income (OCI)	**(0.09)**	**1.27**

Refer note 58

B. The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount rate:	6.55%	6.65%
Future salary increases	5.00 % - 7.00%	7.00%
Withdrawal rates	26.57% - 38.67% for onroll employees and 63% for contractual employees	22% - 30% across all levels
IALM - Indian Assured Lives Mortality (Ultimate)	IALM (2012-14)	IALM (2012-14)

The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

C. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	2.12	0.75
Between 2 and 5 years	4.50	2.88
Between 6 and 9 years	1.25	1.27
10 & above following years	0.49	0.72
Total expected payments	**8.35**	**5.62**

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 3.27 years and 1.42 years for onroll and contractual employees respectively. (March 31, 2025: 4.12 years for onroll employees).

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

D. Sensitivity analysis

The sensitivity analysis of significant actuarial assumption as of end of reporting period is shown below.

	As at March 31, 2026	As at March 31, 2025
Discount rate (-/+ 1%)		
Decrease by 100 basis points	0.21	0.18
Increase by 100 basis points	(0.20)	(0.16)
Future salary increase (-/+ 1%)		
Decrease by 100 basis points	(0.16)	(0.14)
Increase by 100 basis points	0.17	0.14

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period and assuming there are no other changes in the market conditions. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

These plans typically expose the Company to actuarial risks such as: interest risk, longevity risk and salary risk.

(A) Interest risk - A decrease in the discount rate will increase the plan liability.

(B) Longevity risk – The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(C) Salary risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 47 Related party transactions

A. Names of the related parties

Relationship	Name of entity
Subsidiaries (including step down subsdiaries)	FSN Brands Marketing Private Limited
	Nykaa E-Retail Limited
	Nykaa-KK Beauty Private Limited
	Nykaa Fashion Limited
	FSN International Limited
	Nykaa International UK Limited (wholly owned subsidiary of FSN International Limited)[1]
	FSN Global FZE (wholly owned subsidiary of FSN International Limited)
	Nudge Wellness Private Limited[1]
	Nykaa Foundation
	Iluminar Media Limited (formerly known as Iluminar Media Private Limited) (merged with Nykaa Fashion Limited ('NFL') with appointed date April 01, 2024)
	Nessa International Holdings Limited (Subsidiary of FSN International Limited)(1)
	FSN Distribution Limited
	Dot & Key Wellness Limited (formerly known as Dot & Key Wellness Private Limited)

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Relationship	Name of entity
	Nysaa Beauty LLC (wholly owned subsidiary of Nessa International Holdings Limited)[1]
	Earth Rhythm Private Limited w.e.f. November 26, 2024
	Nykaa Essentials Private Limited (w.e.f. March 10, 2025)
	Nysaa International for Wholesale and Retail Trade w.e.f. June 5, 2024 (wholly owned subsidiary of Nessa International Holdings Limited)[1]
	Nysaa Cosmetics Trading w.e.f. June 26, 2024 (wholly owned subsidiary of Nessa International Holdings Limited)[1]
	Nysaa Cosmetics SPC w.e.f. January 22, 2025 (wholly owned subsidiary of Nessa International Holdings Limited)[1]
	Nysaa Trading LLC w.e.f. September 20, 2024 (wholly owned subsidiary of Nessa International Holdings Limited)[1]
	Nysaa Distribution FZE w.e.f. October 22, 2024 (wholly owned subsidiary of Nessa International Holdings Limited)[1]
Associate	Earth Rhythm Private Limited till November 25, 2024
Directors and Key Management Personnel	Mrs. Falguni Nayar -- Executive Chairperson, CEO and Managing Director(2)
	Mr. Anchit Nayar -- Executive Director[2]
	Ms. Adwaita Nayar -- Executive Director[2]
	Mr. Sanjay Nayar -- Director
	Mr. Milan Khakhar -- Director
	Ms. Alpana Parida -- Independent Director till July 14, 2024
	Ms. Anita Ramachandran -- Independent Director
	Mr. Milind Sarwate -- Independent Director
	Mr. Seshashayee Sridhara -- Independent Director
	Mr. Pradeep Parameswaran -- Independent Director
	Mr. Santosh Desai -- Independent Director w.e.f July 15, 2024
	Mr. P Ganesh -- Chief Financial Officer
	Mr. Neelabja Chakrabarty -- Company Secretary till September 30, 2025
	Mr. Chetan Sharma -- Company Secretary and Compliance Officer w.e.f Novemeber 26, 2025
	Mr. Dipak Gupta -- Independent Director w.e.f October 01, 2025
Relative of Key Management Personnel #	Mrs. Rashmi Mehta - Relative of Managing Director
Company in which key management personnel have significant influence #	Sealink View Probuild Private Limited

 # Names of relative parties where transactions have occurred

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

B. Transactions with related parties

Particulars	Nature of transactions	Transactions during FY 2025-26	Balance as at March 31, 2026	Transactions during FY 2024-25	Balance as at March 31, 2025
Directors and Key Management Personnel					
Mrs. Falguni Nayar	Remuneration & reimbursements[2]	0.74	-	0.86	-
Mr. Anchit Nayar	Remuneration & reimbursements[2]	0.15	-	0.14	-
Ms. Adwaita Nayar	Remuneration & reimbursements[2]	3.91	(1.65)	3.28	(0.63)
Mr. Milan Khakhar	Sitting fees	0.06	-	0.05	-
Ms. Alpana Parida	Sitting fees	-	-	0.01	-
	Commission			-	-
Ms. Anita Ramachandran	Sitting fees	0.09	-	0.09	-
	Commission	0.36	(0.36)	0.25	(0.25)
Mr. Milind Sarwate	Sitting fees	0.08	-	0.08	-
	Commission	0.42	(0.42)	0.35	(0.35)
Mr. Seshashayee Sridhara	Sitting fees	0.02	-	0.06	-
	Commission	0.11	(0.11)	0.10	(0.10)
Mr. Pradeep Parameswaran	Sitting fees	0.02	-	0.05	-
	Commission	0.03	(0.03)	0.05	(0.05)
Mr. Santosh Desai	Sitting fees	0.06	-	0.05	-
	Commission	0.03	(0.03)	0.20	(0.20)
Mr. P Ganesh	Remuneration & reimbursements	5.12	-	4.50	-
Mr. Neelabja Chakrabarty	Remuneration & reimbursements	1.00	-	1.25	-
Dr. Chetan Sharma	Remuneration & reimbursements	0.35	-	-	-
Subsidiaries					
	Net loan (repaid) / given	258.84	274.34	(226.41)	15.51
	Interest income	(13.75)	1.67	(11.66)	0.13
	Sales (net of discounts)	(73.08)	-	(53.76)	0.86
	Purchases	-			-
	Sub-lease income	(1.79)	-	(2.45)	-
	Discount expense	-		-	-
	Marketing expense	26.53	(2.50)	26.67	-
	Notional interest income- Financial guarantee	-			
FSN Brands Marketing Private Limited	Commission - Financial Guarantee	(2.88)	-	(2.28)	-
	Commission - Financial Guarantee Notional	-			-
	Notional interest income- Loan	-	-	(1.81)	-
	Notional interest income- sub-lease	-		-	-
	(Recovery) / reimbursement of expenses	(11.52)	-	(12.17)	-
	Brands usage fees	(9.65)	-	(7.28)	-
	Recharge of share based expense	(0.09)	-	(0.50)	-
	Share based expense	-		-	-
	Other equity contribution	-	31.36	-	31.36

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Nature of transactions	Transactions during FY 2025-26	Balance as at March 31, 2026	Transactions during FY 2024-25	Balance as at March 31, 2025
Nykaa E-Retail Limited[3]	Investment in subsidiary	-	102.00	-	102.00
	Investment in related party	-		-	
	Net Investment - sub-lease	-	-	-	-
	Net loan given / (repaid)	209.74	173.50	(0.57)	-
	Interest income	(18.83)	0.72	(0.17)	-
	Sales (net of discounts)	(163.99)	56.84	(107.85)	12.82
	Discount expenses			-	-
	Banner advertisement expenses	21.25	-	21.29	-
	(Recovery) / reimbursement of expenses	(152.09)	22.39	(111.80)	25.91
	Sublease income	-			
	Rent expenses	-			
	Property, plant and equipment sale	-			
	Notional interest expense- Lease	-			
	Notional interest income- sublease	-			
	Notional interest income- Financial guarantee	-			
	Commission - Financial Guarantee	(6.30)	-	(5.67)	-
	Commission - Financial Guarantee Notional	-			
	Notional interest income- Loan	-			
	Recharge of share based expense	(10.71)	-	(8.00)	-
	Share based expense	-		-	-
	Other equity contribution	-	51.50	-	51.50
	Purchase of fixed assets	-	-	0.00*	-
	Investment in subsidiary	-	9.52	-	9.51
	Brand usage fees	(75.24)	-	(56.74)	-
	Net Investment- sub-lease				
	Lease liability				
	Net loan (repaid) / given	66.31	202.07	(72.19)	135.76
	Interest Income	(11.04)	1.23	(11.27)	1.01
	Discount expense	-	-	-	-
	Marketing expense	10.41	(10.41)	16.55	(16.55)
	(Recovery) / reimbursement of expenses	(2.69)	-	(4.67)	-
Nykaa Fashion Limited	Sales (net of discounts)	(1.72)	(21.65)	(152.58)	(17.96)
	Notional interest income- Loan	-	-	(2.88)	-
	Rent expenses	0.95	-	3.24	-
	Sublease Income	(1.82)	-	(2.04)	-
	Notional interest income- sub-lease	-	-	-	-
	Notional Commission on financial guarantee				
	Commission - Financial Guarantee	(0.98)	-	(1.15)	-

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Nature of transactions	Transactions during FY 2025-26	Balance as at March 31, 2026	Transactions during FY 2024-25	Balance as at March 31, 2025
	Recharge of share based expense	(1.09)	-	(1.64)	-
	Share based expense	-	-	-	-
	Other equity contribution	-	22.51	-	21.16
	Brand usage fees	(6.84)	-	(5.46)	-
	Consideration received on account of sale of investment (refer note 9)	-	-	-	-
	Consideration paid on account of business acquisition (refer note 58)	-	-	137.14	-
	Investment in subsidiary	-	175.01	-	175.01
	Net loan given / (repaid)	0.80	0.80	-	-
	Interest Income	(0.16)	0.01	-	-
	Sublease Income	(1.10)	-	(1.18)	-
	(Recovery) / reimbursement of expenses	(10.12)	1.90	(6.26)	0.64
	Sales	-	-	-	-
	Purchase	-	-	-	-
Nykaa-KK Beauty Private Limited	Notional interest income- sublease	-	-	-	-
	Notional interest income- Financial guarantee	-	-	-	-
	Commission - Financial Guarantee	(0.20)	-	(0.20)	-
	Notional interest income- Loan	-	-	-	-
	Recharge of share based expense	(0.09)	-	(0.12)	-
	Other equity contribution	-	1.17	-	1.17
	Investment in subsidiary	-	0.51	-	0.51
	Royalty	(16.93)	-	(10.54)	0.33
	Net loan given / (repaid)	53.37	64.06	2.72	10.69
	Interest Income	(3.05)	1.26	(0.42)	0.05
	(Recovery) / reimbursement of expenses	(0.13)	0.08	(2.69)	-
	Sales (net of discounts)	(0.05)	0.05	(1.19)	0.06
	(v) Investment in equity shares				
FSN International Limited	Commission - Financial Guarantee				
	Marketing Expense	0.13	-	0.22	-
	Discount Expense	-	-	-	-
	Investment in subsidiary	-	45.08	20.00	45.08
	Notional interest income- Loan	-	-	(0.06)	-
	Other equity contribution	-	0.18	-	0.18
FSN Global FZE	(Recovery) / reimbursement of expenses	0.00*	0.00*		
	Net loan given / (repaid)	10.00	0.10	64.02	383.24
	Interest Income	(0.15)	0.03	(27.83)	2.51
FSN Distribution Limited[3]	Brand usage fees	(0.05)	-	(5.27)	-
	Sales (net of discounts)	-	-	(5.45)	-
	Commission - Financial Guarantee	-	-	(0.36)	-

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Nature of transactions	Transactions during FY 2025-26	Balance as at March 31, 2026	Transactions during FY 2024-25	Balance as at March 31, 2025
	Marketing expense	0.02	-	0.85	-
	Sublease Income	-	-	(0.37)	-
	Discount Expense	-	-	-	-
	Recharge of share based expense	-	-	(1.66)	-
	Share based expense	-	-	-	-
	Other equity contribution	-	0.31	-	0.31
	(Recovery) / reimbursement of expenses	(0.26)	0.00*	(10.13)	2.94
	Investment in subsidiary	-	0.01	-	0.01
	Net loan (repaid) / given	-	-	(7.50)	-
	Interest Income	-	-	(0.04)	-
Illuminar Media Limited (formerly known as Illuminar Media Private Limited)[4]	Recharge of share based expense	-	-	(0.91)	0.16
	Share based expense	-	-	-	-
	Other equity contribution	-	-	-	1.35
	Investment in subsidiary	-	-	-	-
	Investment in subsidiary	-	0.01	-	0.01
Nykaa Foundation	(Recovery) / reimbursement of expenses	0.00*	0.00*	-	-
	Donation towards CSR	2.31	-	0.95	-
Dot & Key Wellness Limited (formerly known as Dot & Key Wellness Private Limited)	Net loan taken / (repaid)	95.00	95.00	-	-
	Investment in subsidiary	-	418.47	-	415.10
	Interest expense	3.75	(0.58)	-	-
Nykaa Essentials	Investment in subsidiary	0.05	0.05	-	-
	Investment in subsidiary	5.00	82.20	5.00	77.20
Earth Rhythm Private Limited	Commission - Financial Guarantee	(0.02)	-	-	-
	(Recovery) / reimbursement of expenses	0.20	(0.20)	-	-
	Equity infusion	-	-	-	-
Nudge Wellness Private Limited	Investment in subsidiary	-	3.74	-	3.60
Relative of Key Management Personnel (KMP)					
	Rent and maintenance expenses	0.35	-	0.34	-
	Security deposit	-	0.05	-	0.05
Mrs. Rashmi Mehta	Notional interest income on security deposit	-	-	-	-
	Lease liability	-	-	-	-
	Interest cost on lease liability	-	-	-	-
Company in which key management personnel have significant influence					
	Rent, maintenance, electricity & other expenses	4.71	-	4.34	-
Sealink View Probuild Private Limited	Notional interest income on security deposit	-		-	-
	Security deposit	-	0.86	-	0.86

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Nature of transactions	Transactions during FY 2025-26	Balance as at March 31, 2026	Transactions during FY 2024-25	Balance as at March 31, 2025
	Interest cost on lease liability	-	-	-	-
	Lease liability	-	-	-	-
Cerebrus Consultants Private Limited	HR Service Cost				

Figures in brackets indicates payables and income

**Less than ₹ 0.01 crore.*

#Remuneration includes amount of perquisite value towards ESOP based on exercise of options.

(1) No transactions during the current or previous year.

(2) The aggregate managerial remuneration, as approved, amounting to ₹ 16.48 Crore for Ms. Falguni Nayar and ₹ 7.84 Crore each for Mr. Anchit Nayar and Ms. Adwaita Nayar respectively are paid in the ratio, as determined by the Nomination and Remuneration Committee, between the Holding Company and its subsidiaries. The amount disclosed above is the share of the Company, as determined, in accordance with such ratio.

(4) Remuneration includes amount of perquisite value towards ESOP based on exercise of options.

(3) Pursuant to the Scheme of Demerger approved by NCLT on May 09, 2025 to demerge and transfer eB2B business of FSN Distribution Limited into Nykaa E-Retail Limited ('NER'), transactions and balances pertaining to eB2B business have been accounted in the financial statements of NER in accordance with Ind AS 103 "Business Combination" read with Appendix C to Ind AS 103 specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016.

(4) Pursuant to the Scheme of Merger approved by NCLT on May 27, 2025 to merge Iluminar Media Limited ('LBB') with Nykaa Fashion Limited ('NFL'), transactions and balances pertaining to LBB have been accounted in the financial statements of NFL in accordance with Ind AS 103 "Business Combination" read with Appendix C to Ind AS 103 specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has given guarantees towards external borrowings obtained by the subsidiaries. Further, there have been no guarantees provided or received for any related party receivables or payables.

The Company do not have any other transaction with key managerial person than that is disclosed above.

Amount paid to KMP do not include the provisions made for gratuity as it is determined on an actuarial basis for the Company as a whole. Similarly, expenses for compensated absences are not included in the above table as the same is also determined on an actuarial basis for the Company as a whole.

Note 48 Commitments and contingent liabilities

A. Commitments

The contract remaining to be executed on capital account and not provided for amounts to ₹ 8.14 crore (net of advances) as at 31 March 2026 (31 March 2025 – ₹ 28.41 crore).

B. Contingent liabilities (not provided for)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Claims against the Company, not acknowledged as debts		
Disputed Indirect tax matters (including interest up to the date of demand, if any) [Refer note i,ii & iii below]	2.94	4.99
ii) Corporate guarantees given to banks [Refer note (iv) below]	1,010.00	1,075.00
Total	**1,012.94**	**1,079.99**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Notes:

i. The Company has received VAT assessments order for financial years 2016-17 with demands amounting to ₹ 1.15 crore on account of certain input disallowances/adjustment made by VAT department. Out of the total demand amount, the Company has paid ₹ 0.54 crore to tax authorities during the financial year 2021-2022 and for the balance ₹ 0.61 crore the management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements.

ii. The Company has received order from the adjudicating authority for the period of FY 2018-19, on availing ITC on purchases from suppliers whose registration certificates were cancelled demanding ₹ 0.10 crore including applicable interest and penalty. The management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements.

iii. The Company has received order from the adjudicating authority for the period of FY 2020-21, imposing tax on commission on financial guarantee amounting to ₹ 2.23 crore including applicable interest and penalty. The management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements.

iv. Corporate guarantees given to banks with respect to borrowings taken by the subsidiary companies to a maximum amount of ₹ 1010.00 crore (31 March 2025: ₹ 1075.00 crore).

Note 49

i) Disclosure as per the requirement of regulation 34 of the Securities and Exchange Board of India (Listing obligations and disclosure requirements) regulations, 2015:

The amounts at the year end and the maximum amount of loans and advances outstanding during the year is as follows:

Name of the Company	As at March 31, 2026		As at March 31, 2025	
	Outstanding Balance	Maximum Amount Outstanding during the year	Outstanding Balance	Maximum Amount Outstanding during the year
Subsidiaries				
FSN Brands Marketing Private Limited	274.34	296.24	15.51	299.93
Nykaa E-Retail Limited	173.50	401.74	-	23.07
FSN International Limited	64.06	64.06	10.69	11.39
Nykaa Fashion Limited	202.07	246.37	135.76	227.27
Nykaa-KK Beauty Private Limited	0.80	9.60	-	-
FSN Distribution Limited	0.10	7.60	383.24	383.24
Iluminar Media Limited (formerly known as Iluminar Media Private Limited)	-	-	-	7.50
Total	**714.87**	**1,025.61**	**545.20**	**952.40**
Non-current	540.47		395.00	
Current	174.40		150.20	

ii) Audit trail

1. During the year, the Company migrated from its existing ERP system (""legacy accounting software"") to a new ERP system (""new accounting software"") with effect from January 1, 2026.

   a. In respect of the legacy accounting software, the audit trail facility was enabled for relevant transactions recorded in the software, except that the audit trail feature was not enabled at the database level and certain users have access to make direct changes that were not logged at the application layer.

   b. In respect of the new accounting software implemented from January 1, 2026:

      i. The audit trail facility was enabled at the application layer for relevant transactions recorded in the software; however, certain users have access to make direct changes that were not logged.

      ii. For the database layer, the Company has obtained the Service Organisation Controls (""SOC"") report covering the period up to December 31, 2025, along with a bridge letter for the balance period during the year. However,

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

this SOC report, issued by the ERP service provider to all its users, does not explicitly mention if the audit trail controls were enabled or not at the database layer.

2. Further, the Company uses certain peripheral applications that support the recording of revenue, inventory and procurement (hereinafter referred to as 'supporting software'), wherein:

   a. In the case of one application related to procurement (which was implemented w.e.f. January 01, 2026), the audit trail (edit log) facility was not enabled throughout the period.

   b. In the case of other applications, the audit trail (edit log) facility:

      i was enabled at the database layer from October 1, 2025, for all relevant transactions recorded in the software; and

      ii. was not enabled accurately for certain applications at the application layer.

3. Also, the Company used third-party operated software for:

   a. Processing payroll and procurement – Management obtained the report of Service Organisation Controls (SOC) auditors engaged by such third party for the year which mention that the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

   b. Consumption of raw materials (up to December 31, 2025) – Management is not in possession of the SOC report to determine whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

Note 50 Fair value of financial assets and financial liabilities

Below, is a comparison by class of the carrying amounts of the Company's financial instruments that are reasonable approximations of fair values.

Particulars	Level	Carrying value as of	
		March 31, 2026	March 31, 2025
Financial Assets:			
Amortised cost			
Loans		714.87	545.20
Trade receivables		95.75	47.71
Cash and cash equivalents		4.70	5.50
Bank balance other than cash and cash equivalents		77.83	23.12
Other financial assets		72.80	73.43
FVTPL			
Derivative Financial Assets (refer note 11 & 19) (1)	2	3.95	3.95
		969.90	698.91
Financial Liabilities:			
Amortised cost			
Borrowings		182.00	75.74
Lease liabilities		26.00	10.53
Trade payables		19.70	42.25
Other financial liabilities		98.41	71.87
FVTPL			
Derivative Financial Liabilities (refer note 30) (2)	2	-	0.02
Derivative Financial Liabilities (refer note 25) (2)	3	-	13.26
		326.11	**213.67**

(1) Included in other current / non-current financial assets

(2) Included in other current / non-current financial liabilities

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

The carrying values of the financial assets and liabilities measured at amortised cost are reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and liabilities have not been disclosed separately.

Valuation methodology:

The fair values of assets and liabilities are included at the amount at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The valuation techniques used to determine the fair values of financial assets and financial liabilities classified as level 2 include use of quoted market prices or dealer quotes for similar instruments and generally accepted pricing models based on a discounted cash flow analysis using rates currently available for debt on similar terms, credit risk and remaining maturities.

The Company enters into derivative financial instruments such as forward contracts with various counterparties. The fair value of such derivatives instruments are determined using forward exchange rates, currency basis spreads between respective currencies, etc.

Note 51 Financial Risk Management Objectives and Policies:

The Company's principal financial liabilities comprise borrowings from banks, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise cash and bank balance, trade and other receivables that derive directly from its operations.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Company's senior management team oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises currency risk, product price risk and interest risk.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2026 and March 31, 2025.

a) Interest rate risk

The Company is exposed to interest rate risk primarily due to borrowings having floating interest rates. The Company uses available working capital limits for availing short-term working capital demand loans with interest rates negotiated from time to time so that the Company has an effective mix of fixed and variable rate borrowings. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase / decrease in basis points	Effect (decrease) / increase on profit before tax
March 31, 2026	+50	(0.91)
	-50	0.91
March 31, 2025	+50	(0.38)
	-50	0.38

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency and thus the risk of changes in foreign exchange rates relates primarily to trade payables and advances paid to vendors. The Company's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Company's policies. When a derivative is entered into for the purpose of hedging any foreign currency exposure, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The year end foreign currency forward contracts and unhedged foreign currency exposures are given below :

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

a) Derivatives (forward contracts) outstanding as at the reporting date (in respective currency)

Particulars of transactions	Currency	March 31, 2026		March 31, 2025	
		Foreign currency	Equivalent ₹^	Foreign currency	Equivalent ₹^
Forward contracts to Purchases – Trade Payable	Euro	–	–	0.01	1.30
Forward contracts to Purchases – Trade Payable	USD	0.01	0.74	0.02	1.95

b) Particulars of unhedged foreign currency exposure as at the reporting date (in respective currency):

Particulars	Currency	March 31, 2026		March 31, 2025	
		Foreign currency	Equivalent ₹	Foreign currency	Equivalent ₹
Payables:					
Trade payables	USD	0.00*	0.37	0.00*	0.38
	Euro	0.00*	0.01	0.00*	0.02
	CNY	0.00*	0.00*	–	–
	GBP	–	–	0.00*	0.07
Advances:					
Advance to vendors against purchases / expenses	USD	0.02	1.53	0.01	0.52
	Euro	0.00*	0.00*	0.00*	0.00*
	CNY	0.01	0.14		
	GBP	0.00*	0.02	–	–

**Less than ₹ 0.01 crore.*

^Amount in ₹ represents conversion at hedged rate.

Since the business of the Company doesn't involves material foreign currency transactions, its exposure to foreign currency changes is not material.

c) Product price risk

In an inflationary economy, the Company expects periodical price increases across its product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/ sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to customers to sustain volumes. The Company negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the customers. This helps the Company to protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sector, although overall volumes would get affected.

B) Credit risk

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

a) Trade receivables

The Company has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Company by credit worthiness checks. The Company's experience of delinquencies and customer disputes have been minimal. Also, the Company has a simplified approach to determine impairment loss allowance on the portfolio of trade receivables. This is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. Accordingly, the credit risk is covered by the Company. (Refer accounting policy 2B(g) for expected credit loss on trade receivable).

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Movement in allowances for expected credit loss:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	3.62	0.25
Transfer (Refer note 58)	-	4.51
Bad debts written off during the year	-	0.05
Provision reversed during the year	(2.00)	(1.19)
Closing balance	**1.62**	**3.62**

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

b) Security Deposit

The Company also carries credit risk on lease deposits with landlords for properties taken on leases, for which agreements are signed and property possessions are taken for operations. The risk relating to refunds after vacating the premises is managed through successful negotiations or appropriate legal actions, where necessary.

c) Financial instruments and cash deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is a risk that the Company may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks. Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Carrying value	Less than 1 year	1 to 5 years	>5 years	Total
As at March 31, 2026					
Borrowings	182.00	87.00	95.00	-	182.00
Trade payables	19.70	19.70	-	-	19.70
Other financial liabilities	98.41	98.41	-	-	98.41
Lease liabilities	26.00	9.56	22.06	-	31.62
Total	**326.11**	**214.67**	**117.06**	**-**	**331.73**
As at March 31, 2025					
Borrowings	75.74	75.74	-	-	75.74
Trade payables	42.25	42.25	-	-	42.25
Other financial liabilities	85.15	71.89	13.26	-	85.15
Lease liabilities	10.53	7.53	3.99	-	11.52
Total	**213.67**	**197.41**	**17.25**	**-**	**214.66**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 52 Segment Information:

In accordance with Ind AS 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Group and therefore, no separate disclosure on segment information is given in these financial statements.

The Company operates in a single geographical environment i.e. in India.

No single external customer (other than related party - refer note 47) contributed 10% or more to the Company's revenue.

All non-current assets of the Company are located in India.

Note 53 Capital management:

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt includes interest bearing borrowings less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

Particulars	As at March 31, 2026	As at March 31, 2025
Gross debt	182.00	75.74
Less: Cash and cash equivalents	(4.70)	(5.50)
Net debt (A)	**177.30**	**70.24**
Equity	1,802.92	1,659.61
Total Equity (B)	**1,802.92**	**1,659.61**
Net gearing ratio (A)/(B)	0.10	0.04

Note 54 Share based payments

The Company has granted stock options under the employee stock option scheme- ESOS 2012, ESOS 2017, ESOP 2022 and RSU respectively, as approved by the Board of Directors of the company, to the eligible employees of the Company or its subsidiaries. These options would vest in 3 to 4 equal annual installments from the date of grant based on the vesting conditions as per letter of grant executed between the Company and the employee of the Company or its subsidiaries. The maximum period for exercise of options is 4 years from the date of vesting. Each option when exercised would be converted into one fully paid-up equity share of ₹ 1 each of the Company.

The Company has recognised an expense of ₹ 4.73 Crore (March 31, 2025: ₹ 4.07 Crore) arising from equity settled share based payment transactions for employee services received during the year. The carrying amount of Employee stock options outstanding reserve as at March 31, 2026 is ₹ 36.21 Crore (March 31, 2025: ₹ 37.07 Crore)

As at the end of the given period, details and movements of the outstanding options are as follows:

a. Options granted under ESOS 2012

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	4,96,500	84,000
Transferred-in during the year*	-	4,23,750
Options granted during the year	-	-
Options forfeited during the year	-	(11,250)
Options expired/lapsed during the year	-	-
Options exercised during the year	(1,00,000)	-
Options outstanding at the end of the year	**3,96,500**	**4,96,500**

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	March 31, 2026**	March 31, 2025**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	₹ 99.00 - 187.50	₹ 99.00 - 187.50
Weighted average remaining contractual life (in years)	2.77	3.48

b. Options granted under ESOS 2017

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	27,28,350	44,22,300
Transferred in/(out) during the year*	4,70,200	(14,02,000)
Options granted during the year	2,94,000	6,50,000
Options forfeited during the year	(3,78,450)	(3,56,900)
Options expired/lapsed during the year	(77,100)	(17,800)
Options exercised during the year	(7,27,550)	(5,67,250)
Options outstanding at the end of the year	**23,09,450**	**27,28,350**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	₹ 33.66 - 252.85	₹ 21.46 - 226.33
Weighted average remaining contractual life (in years)	3.89	4.35

c. Options granted under ESOS 2022

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	5,11,400	8,51,400
Transferred in/(out) during the year*	(45,000)	(1,35,000)
Options granted during the year	8,45,000	-
Options forfeited during the year	(1,35,000)	(1,22,500)
Options expired/lapsed during the year	(15,000)	-
Options exercised during the year	(62,500)	(82,500)
Options outstanding at the end of the year	**10,98,900**	**5,11,400**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	₹131.05 - 216.84	₹131.05 - 133.35
Weighted average remaining contractual life (in years)	4.94	4.55

d. Options granted under RSU

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	-	1,00,000
Transferred-out during the year*	-	(1,00,000)
Options granted during the year	-	-
Options forfeited during the year	-	-
Options expired/lapsed during the year	-	-
Options exercised during the year	-	-
Options outstanding at the end of the year	**-**	**-**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	-	-
Weighted average remaining contractual life (in years)	-	-

** on account of intra group transfer.*

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

e. Fair value of options granted

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	ESOS 2017			
	Tranche I	Tranche II	Tranche III	Tranche IV
Dividend yield (%)	Nil	Nil	Nil	Nil
Expected life (years)	1.99-2.02	2.79-2.82	3.48-3.56	4.14-4.16
Risk free interest rate (%)	5.69% to 5.91%	5.82% to 5.97%	5.92% to 6.10%	6.00% to 6.2%
Volatility (%)	30%	30% - 35%	35%-40%	35%-40%
Share price on date of grant	194.46-280.14			
Fair value of options	44.43-75.99	59.26-89.03	72.66-107.60	79.46-116.20

Particulars	ESOS 2022			
	Tranche I	Tranche II	Tranche III	Tranche IV
Dividend yield (%)	Nil	Nil	Nil	Nil
Expected life (years)	1.58-1.61	2.03-2.06	3.00	4.00
Risk free interest rate (%)	5.79%-5.91%	5.92%-5.94%	5.97%-6.03%	6.01%-6.12%
Volatility (%)	30%	35%	35%-40%	40%
Share price on date of grant	194.46-233.84			
Fair value of options	44.43-59.43	59.26-76.85	72.66-86.2	79.46-100.92

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The volatility is based on annualised standard deviation of the continuously compounded rates of return based on the peer companies and competitive stocks over a period of expected life. The Company has determined the market price on grant date based on the closing price of stock on NSE Index, as on the grant date.

The weighted average share price at the date of exercise of options exercised during the year was ₹ 230.63. (March, 2025 ₹ 179.52)

**The movement of options & the fair value assumptions have been restated to give effect of the bonus shares allotted by the company vide Board's approval dated October 03, 2022 in proportion of 5:1, i.e., 5 (five) bonus equity shares of ₹ 1 each for every 1 (one) fully paid-up equity share held as on the record date.

f. Expenses arising from share-based payment transactions

The total expenses arising from share-based payment transactions recognised were as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stock based compensation expense determined under fair value method recognised in Statement of Profit or Loss	4.73	4.07
Stock based compensation expense pertaining to employees of subsidiaries, determined under fair value method recognised as cost of investment / recharged to subsidiaries#	11.98	12.83

 # Effective FY 2024–25, the company has initiated recharges to its subsidiaries.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 55 Ratio Analysis and its elements

SN.	Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for variance
1	Current ratio	Current assets	Current liabilities	2.14	1.97	9%	
2	Debt equity ratio	Total Debt	Shareholder's equity	0.10	0.05	121%	Borrowings availed by the Company in the normal course of business.
3	Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + finance cost	Debt service = Interest & Lease Payments + Principal Repayments	5.74	7.66	(25%)	Impact of reduction in earnings coupled with increase in interest cost.
4	Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	5%	6%	(17%)	
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	1.86	2.02	(8%)	
6	Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	4.97	5.14	(3%)	
7	Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.60	4.80	(4%)	
8	Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets — Current liabilities	1.31	2.08	(37%)	The ratio fell on account of blockage of working capital in business.
9	Net profit ratio	Net Profit	Net sales = Total sales - sales return	25%	23%	6%	
10	Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Asset	7%	6%	4%	
11	Return on investment	Interest income on fixed deposit	Average investment in fixed deposit	6%	5%	13%	

Note 56 Other Statutory Information

i. The Company does not have any transactions with companies struck off.

ii. The Company does not have any charges or satisfaction which is yet to be registered with ROC.

iii. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

iv. The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

v. Other than the details mentioned below, 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 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.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Details of date and amount of fund invested in intermediary during the year ending March 31, 2026 is as follows:

Name of the intermediary	Registered address of the intermediary	Relationship with the intermediary	Date of investment	Amount of investment
FSN International Limited	104, Vasan Udyog Bhavan, Sun Mill Compound Tulsi Pipe Road, Lower Parel (West), Mumbai City, MUMBAI, Maharashtra, India, 400013	Subsidiary	11 April 2025	20.00
			03 February 2026	1.10
			07 February 2026	0.60
			12 February 2026	12.27

Details of date and amount of fund further invested by intermediary during the year ending March 31, 2026 is as follows:

Name of the intermediary	Registered address of the intermediary	Relationship with the intermediary	Date of investment	Amount of investment
Nessa International Holdings Limited	Office DD-14-124-027, Floor 14, Al Khatem Tower, Abu Dhabi Global Market Square,Abu Dhabi, United Arab Emirates	Subsidiary	16 April 2025	19.28
			02 February 2026	1.99
			18 February 2026	12.69

Details of date and amount of fund further invested by intermediary to ultimate beneficiary during the year ending March 31, 2026 is as follows:

Name of the ultimate beneficiary	Registered address of the intermediary	Relationship with the intermediary	Date of investment	Amount of investment
Nysaa Beauty LLC	R01-4, AL Sima tower, Al Bharsha South, Dubai, UAE	Subsidiary	18 April 2025	35.51
			25 May 2025	14.20
			30 June 2025	21.30
			18 August 2025	28.40
			17 September 2025	28.40
			28 November 2025	14.20
			31 December 2025	10.65
			25 February 2026	12.07
			02 March 2026	5.22
			02 March 2026	21.30
			31 March 2026	35.51
Nysaa Distribution FZE	S21317, Jebel Ali Free Zone, Dubai, UAE	Subsidiary	31 March 2026	35.53
			28 May 2025	9.94
			28 November 2025	7.10
			01 December 2025	10.65
Nysaa Cosmetics SPC Oman	PO BOX 1821, PC 130, Royal Tower, 6th Floor Way No. 3518, Building No. 1444, MBD Area, Ruwi, Musc	Subsidiary	02 March 2026	14.20
			30 June 2025	7.10
			23 July 2025	28.40

The provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

vi Details of date and amount of fund received by intermediary to ultimate beneficiary during the year ending March 31, 2026 is as follows:

Sr. no.	Name of intermediary who has received the funds	Date of funds received	Amount of funds received	Date on which funds are further advanced in form of guarantee by intermediaries or ultimate beneficiaries	Amount of fund further advanced in form of guarantee by such intermediaries or ultimate beneficiaries	Ultimate beneficiary
1	Dot and Key Wellness Limited	08 October 2025	10.00	08 October 2025	10.00	FSN Brands Marketing Private Limited
2	Dot and Key Wellness Limited	08 October 2025	2.00	08 October 2025	2.00	Nykaa Fashion Limited
3	Dot and Key Wellness Limited	20 November 2025	7.00	20 November 2025	7.00	FSN Brands Marketing Private Limited
4	Dot and Key Wellness Limited	04 December 2025	8.00	04 December 2025	6.00	Nykaa E-retail Limited
				05 December 2025	2.00	Nykaa E-retail Limited

Complete details of intermediary and ultimate beneficiary:

Name of entity	Registered address	CIN number	Relationship with company
Dot & Key Wellness Private Limited	15, Park Street Apeejay House, 7th Floor Block C, Park Street, Kolkata, West Bengal, India, 700016	U24110WB2020PLC236913	Subsidiary
Nykaa E-retail Limited	104, Vasan Udyog Bhavan, Sun Mill Compound, Tulsi Pipe Road, Lower Parel, Mumbai – 400013	U18102MH2019PLC320627	Wholly Owned Subsidiary
FSN Brands Marketing Private Limited	A-1,135 Shah and Nahar Industrial Estate Sitaram Jadhav Marg, Lower Parel, Delisl e Road , Mumbai, Maharashtra, India - 400013.	U74120MH2015PTC262096	Wholly Owned Subsidiary
Nykaa Fashion Limited	104, Vasan Udyog Bhavan Senapati Bapat Marg, Lower Parel , MUMBAI, Maharashtra, India - 400013.	U18102MH2019PLC320627	Wholly Owned Subsidiary

vii. The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

viii. The Company is not declared wilful defaulter by any Bank, Financial Institution or other lender.

Note 57 Expenditure towards corporate social responsibility (CSR) activities

Sn.	Particulars	As at March 31, 2026	As at March 31, 2025
a	Gross amount required to be spent by the Company during the year	1.71	1.69
b	Amount spent during the year on the following in cash		
	i. Construction/ acquisition of any asset	-	-
	ii. On purpose other than (i) above*	1.25	0.95
c	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	0.46	0.74
d	The total of previous years' shortfall amounts;	0.36	0.76
e	Provision movement during the year	(0.48)	0.74

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Sn.	Particulars	As at March 31, 2026	As at March 31, 2025
f	Reason of above shortfall	The Company is implementing multi-year ongoing projects in collaboration with the National Council of Applied Economic Research (NCAER) and the Beauty & Wellness Sector Skill Council (B&WSSC). Due to the multi-year nature of these projects and the planned phased utilisation of funds, the amount related to these ongoing projects has been transferred to a separate Unspent CSR Account of the Company, in accordance with the provisions of Section 135 of the Companies Act, 2013. The said amount shall be utilised for the identified ongoing projects within the statutory timeline prescribed under the Act. Accordingly, the Company is in compliance with the requirements of Section 135 of the Companies Act, 2013, read with the applicable rules and its CSR Policy.	
g	Nature of CSR activities	The amount spent during the year has been utilized towards skill development programmes for women, education support for underprivileged students, women empowerment initiatives and supported the distribution of essential food supplies to underserved communities.	The amount during the year has been spent towards promotion of education, eradicating hunger, building skills, and uplifting through employment.

**Contribution of ₹ 2.31 crore (March 31, 2025 :₹ 0.95 crore) has been given to Nykaa foundation which is a section 8 company engaged in doing CSR activities. The amount has been contributed through Nykaa Foundation for CSR activity which also includes amount utilised from unspent accounts of previous years'.*

Note 58 Disclosure pursuant to Ind AS 103 "Business Combinations

Transaction during FY 2024-25:

In line with the strategy to streamline and consolidate owned brand business in a single entity, the Board of Directors at their meeting held on May 22, 2024 have approved acquisition of Western Wear & Accessories business of Nykaa Fashion Limited ("Transferor Company"), a wholly owned subsidiary of the Company, as a going concern on slump sale basis. The transaction was consummated on June 28, 2024 post compliance of conditions precedent, being the closing date of transfer of business for a consideration of ₹ 137.14 crore.

The aforementioned business transfer has also been accounted in accordance with Ind AS 103 'Business Combination' read with Appendix C to Ind AS 103 specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016 (Ind-AS 103). Accordingly, the accounting treatment has been given as follows:

(i) The assets and liabilities of the abovementioned business have been incorporated in the financial statements at their respective carrying values.

(ii) Difference between the carrying value of net assets acquired and consideration paid has been transferred to capital reserve.

(iii) The financial information in the financial statements in respect of prior periods i.e. for the year ended March 31, 2024 and for the period April 01, 2024 to June 28, 2024 (herein after referred as "pre-acquisition period") have been restated as if the business combination had occurred from the beginning of the preceding period in the financial statements irrespective of the actual date of acquisition in accordance with Ind AS 103.

(iv) Profits/(loss) for the pre-acquisition period related to the acquired business on account of restatement of financial statements as explained above did not result into increase/decrease in net assets of equivalent amount as of March 31, 2024 and as of June 28, 2024 as not all the items of assets and liabilities were transferred. Accordingly, the difference between profit/(loss) and change in net assets position has been adjusted in retained earnings.

(v) Profit/(loss) on the acquired business during the pre-acquisition period is not required to be adjusted from retained earnings. Accordingly, profit/(loss) for the said period net of adjustment as explained in point (iv) above has been reclassified from retained earnings to capital reserve.

(vi) The consequent tax effects amounting to ₹ 20.80 crore on the above transaction have been considered in Statement of Profit and Loss for the year ended March 31, 2025. There is no impact on account of the above in the Consolidated Financial Statements.

Notes

to the Standalone Financial Statements as at and for year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 59 Proforma Statement of Profit and Loss

Proforma Statement of Profit and Loss ("Statement of P&L) has been prepared as if the financial statements for the period April 01, 2024 to June 28, 2024 were not restated on account of acquisition of business (as stated in note 58) in accordance with the requirements of Ind AS 103.

Particulars	For the year ended March 31, 2025
Income	
Revenue from operations	409.15
Other income	157.33
Total Income	**566.48**
Expenses	
Cost of material consumed	6.72
Purchase of traded goods	163.45
Changes in inventories of finished goods and stock-in-trade	16.96
Employee benefits expense	62.84
Finance costs	7.91
Depreciation and amortisation expense	11.33
Other expenses	200.15
Total expenses	**469.36**
Profit before tax	**97.12**

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner

Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director
DIN NO.: 00003633

P Ganesh
Chief Financial Officer

Place: Mumbai
Date: May 21, 2026

Adwaita Nayar
Executive Director

DIN NO.: 07931382

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Independent Auditor's Report

To the Members of FSN E-Commerce Ventures Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of FSN E-Commerce Ventures Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") comprising of the consolidated Balance Sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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 Consolidated 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 consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in note 2C(i) and note 32 of the consolidated financial statements)	
During the year ended March 31, 2026, the Group recognized a product revenue of ₹ 8,644.95 crores. Revenue recognition has been identified as a key audit matter due to complexity of systems in recognizing revenues, significance of volumes of data processed by system, dynamic evolving pricing with discounts and operation in highly competitive marketplace.	Our audit procedures included the following: • With the assistance by IT specialists, we obtained an understanding, evaluated the design and tested the operating effectiveness of key IT general and application controls related to revenue recognition processes. We also tested relevant IT infrastructure and applications that result in generation of various IT reports used for billing and revenue recognition process. • We tested the operating effectiveness of IT dependent manual controls, performed data analytics and trend analysis, test of reconciliations between Order Management System and the general ledger, collections to revenue.

Key audit matters	How our audit addressed the key audit matter
	• We read and assessed the revenue related accounting policy, critical estimates and assumptions and disclosures in the consolidated financial statements.
Assessment of carrying value of inventories (as mentioned in Note 13 of the consolidated financial statements)	
The Company has inventories of ₹ 1,642.16 crores, as at March 31, 2026. These inventories are held mostly at warehouses and stores of the Group. The Group recognizes inventory obsolescence based on the age of the product (i.e. whether it is close to expiry and expired), slow moving and damaged goods including future expectations of disposal of these goods as well as on account of the net realizable value ('NRV'), if it is lesser than cost. Significant judgment is required in assessing the appropriate level of slow moving and/or obsolete inventory and determination of NRV. Considering the significance of the balance to the consolidated financial statements as a whole and the involvement of estimations in the assessment, we considered carrying value of inventory to be a key audit matter.	Our audit procedures included the following: • Obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the Company has in relation to inventory purchases and provision for slow moving, close to expiry, expired and damaged inventories. • Performed testing on the Company controls over the inventory physical verification process. In testing these controls, we inspected the results of the physical verification carried out by the Company, observed physical inventory counts at few locations during the year ended March 31, 2026. • Verified the reconciliation of inventory received vis-à-vis the purchase invoices recorded from the vendors for the year ended March 31, 2026. • Performed procedures to test controls around the Company's process to identify slow moving or obsolete inventories, assess the assessment of the cost and net realisable value, expired and damaged inventories and evaluated the adequacy of obsolescence and provision as at March 31, 2026.
Recognition of Deferred Tax Assets (net) (as described in Note 2C(p) and Note 11 of the consolidated financial statements)	
As per Ind AS 12 – "Income taxes", Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. As at March 31, 2026, the total deferred tax asset of ₹ 268.78 crores. Significant judgments and estimates are involved in making this assessment. The estimate of future taxable profits is based on the future business plans. The recognition of deferred tax asset is therefore sensitive to changes in the business plan and hence there is inherent uncertainty involved in projecting future profits. This assessment requires the management to make assumptions to be used in the forecasts of future taxable profits, including expectations for future revenue and margin developments and overall market and economic conditions. This area was important to our audit due to the significance of judgment and estimates involved in management's assessment of the likelihood and magnitude of forecasting future taxable profits.	Our audit procedures included the following: • Assessed the accounting policy with respect to recognition of deferred taxes in accordance with Ind AS 12 "Income Taxes". • Assessed and tested the effectiveness of internal controls relating to deferred tax assets. • Assessed the historical accuracy of management's assumptions and estimation process by comparing the actual financials against previously forecasted financials for the year ended March 31, 2026 of subsidiaries. • Analysed the performance of subsidiaries and assessed the assumptions used in computation of future profits, including understanding of management's estimate of business impact based on current market. • Assessed the disclosures made in the consolidated financial statements as per Ind AS 12- "Income Taxes".

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report ('Other Information'), but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the

date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the financial year ended March 31, 2026 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

We did not audit the financial statements and other financial information, in respect of 18 subsidiaries whose financial statements include total assets of ₹ 833.54 crores as at March 31, 2026, and total revenues of ₹ 1,107.37 crores and net cash inflow of ₹ 88.80 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph, we give in the "**Annexure 1**" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the

Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies referred to in 'other matter' paragraph, none of the directors of the Group companies, incorporated in India, are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company and its subsidiaries, to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

(i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 48B to the consolidated financial statements;

(ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended March 31, 2026.

(iv) (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of its knowledge and belief, as disclosed in the note 55 (5) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, 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 respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, as disclosed in the note 55 (6) to the consolidated financial statements no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iv) (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in

India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

(v) No dividend has been declared or paid during the year/ subsequent to the year-end by the Holding Company and its subsidiary Companies, incorporated in India.

(vi) (A) The Holding Company and its subsidiaries have migrated to a new accounting software from legacy accounting software during the year. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, the Holding Company and subsidiaries have used various accounting software including new accounting software and legacy software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except (as described in note 52 to the consolidated financial statements) —

In case of Holding Company and subsidiaries—

- In respect of the legacy accounting software, audit trail feature is not enabled at the database level and certain users have access to make direct changes which are not logged at the application layer.

- In respect of new accounting software implemented from January 01, 2026, audit trail is enabled at the application layer; however, certain users have access to make direct changes which are not logged. Further, for the database layer, the SOC report issued by ERP service provider to all its users does not explicitly mention if the audit trail controls were enabled or not at the database layer.

(B)
- In respect of one supporting software (which was implemented w.e.f. January 01, 2026) wherein the audit trail (edit log) facility was not enabled throughout the period,
- while for all the other supporting software,
  i. audit trail feature was enabled at database layer from October 01, 2025 for all relevant transactions recorded in the software, and
  ii. was not enabled accurately for certain transactions at the application layer.

(C) With respect to third-party operated software applications-,

- the audit trail feature for the certain software was enabled and operated throughout the year for all relevant transactions recorded in these software applications or there were no instances of the audit trail feature being tampered with,

- in the absence of Service Organisation Controls report on audit trail for one of the software operated till December 31, 2025, as described in Note 52 to the financial statements, we are unable to comment on whether the audit trail feature with respect to third-party operated software applications was enabled and operated throughout the year for all relevant transactions recorded in these software applications or whether there were any instances of the audit trail feature being tampered with.

Additionally, the audit trail of prior years have been preserved by the Group as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

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

per **Govind Ahuja**
Partner
Membership Number: 048966
UDIN: 26048966ULCDOA3873
Place of Signature: Mumbai
Date: May 21, 2026

Annexure 1 referred to in clause 1 of paragraph on the report on 'Other Legal and Regulatory Requirements' of our report of even date

Re: FSN E-Commerce Ventures Limited (the "Holding Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1.	FSN E-Commerce Ventures Limited	L52600MH2012PLC230136	Holding	Clause (iii)(e)
2.	Nykaa E-retail Limited	U74999MH2017PLC291558	Subsidiary	Clause (xi)(a) and (xi)(b)
3.	Dot & Key wellness	U24110WB2020PLC236913	Subsidiary	Clause (xi)(a) and (xi)(b)

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

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 26048966ULCDOA3873
Place of Signature: Mumbai
Date: May 21, 2026

Annexure 2 to the Independent Auditor's Report of even date on the consolidated financial statements of FSN E-Commerce Ventures Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of FSN E-Commerce Ventures Limited (hereinafter referred to as the "Holding Company") as of and for the year ended

March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies (the Holding Company and its subsidiaries together referred to as the "Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the " Guidance Note") issued by the Institute of Chartered Accountants of India (the "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 the respective 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these consolidated financial statements included obtaining an understanding of internal financial controls with reference to these consolidated financial statements, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these consolidated financial statements.

Meaning of Internal Financial Controls with Reference to these Consolidated Financial Statements

The Company's internal financial control with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control with reference to these consolidated financial statements 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 with Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to these consolidated financial statements 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, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to four subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India. Our report is not qualified in respect of this matter.

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

per **Govind Ahuja**
Partner
Membership Number: 048966
UDIN: 26048966ULCDOA3873
Place of Signature: Mumbai
Date: May 21, 2026

Consolidated Balance Sheet

as at March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	299.97	271.72
Capital work-in-progress	5	9.25	3.17
Goodwill	6	97.50	97.50
Other Intangible assets	6	149.01	135.74
Right of use assets	7	461.47	329.86
Intangible assets under development	8	-	33.57
Financial assets			
Investments	9	0.16	0.16
Other financial assets	10	68.52	98.68
Deferred tax assets (net)	11	268.78	257.95
Non-current tax assets (net)		62.26	63.95
Other non-current assets	12	5.52	10.15
Total non-current assets (A)		**1,422.44**	**1,302.45**
Current assets			
Inventories	13	1,642.16	1,417.54
Financial assets			
Trade receivables	14	289.38	246.61
Cash and cash equivalents	15	177.20	124.94
Bank balance other than cash and cash equivalents	16	142.83	92.21
Other financial assets	17	312.25	269.30
Other current assets	18	625.12	526.48
Total current assets (B)		**3,188.94**	**2,677.08**
Total Assets (A+B)		**4,611.38**	**3,979.53**
Equity and liabilities			
Equity			
Equity share capital	19	286.33	285.93
Other equity	20	1,151.65	1,015.35
Equity attributable to equity holders of the parent		1,437.98	1,301.28
Non-controlling interest		64.12	41.38
Total equity (A)		**1,502.10**	**1,342.66**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	18.33	110.21
Lease Liabilities	22	296.85	211.55
Other financial liabilities	23	1.66	135.88
Provisions	24	34.19	18.64
Total non-current liabilities (B)		351.03	476.28
Current liabilities			
Financial liabilities			
Borrowings	25	728.88	851.15
Lease liabilities	26	193.75	147.68
Trade payables	27		
-Total outstanding dues of micro enterprises and small enterprises		116.34	45.26
-Total outstanding dues of creditors other than micro enterprises and small enterprises		616.16	589.57
Other financial liabilities	28	947.30	438.61
Provisions	29	26.81	10.19
Contract liabilities	30	60.07	37.61
Other current liabilities	31	68.94	40.52
Total current liabilities (C)		**2,758.25**	**2,160.59**
Total liabilities (B+C)		**3,109.28**	**2,636.87**
Total equity and liabilities (A+B+C)		**4,611.38**	**3,979.53**

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner

Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director

DIN NO.: 00003633

P Ganesh
Chief Financial Officer

Place: Mumbai
Date: May 21, 2026

Adwaita Nayar
Executive Director

DIN NO.: 07931382

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	32	10,022.35	7,949.82
Other income	33	32.77	27.26
Total Income		**10,055.12**	**7,977.08**
Expenses			
Cost of material consumed	34	14.61	8.10
Purchase of traded goods	35	5,718.58	4,683.08
Changes in inventories of finished goods and stock-in-trade	36	(226.66)	(218.52)
Employee benefits expense	37	771.53	666.07
Finance costs	38	117.12	107.32
Depreciation and amortisation expense	39	320.33	266.40
Other expenses	40	2,991.98	2,337.18
Total expense		**9,707.49**	**7,849.63**
Profit before share of loss of an associate, exceptional item and tax		347.63	127.45
Exceptional Item	41	17.40	-
Profit before tax and share of loss of associate		330.23	127.45
Tax expense/(credit):			
Current tax	11	137.49	41.50
Deferred tax	11	(11.20)	12.25
Total tax expense		**126.29**	**53.75**
Profit after tax		203.94	73.70
Share in loss of associate {refer note 53 (B)}		-	(1.63)
Profit for the year		**203.94**	**72.07**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plan	44	1.96	(6.01)
Income tax effect on above	11	(0.37)	1.21
		1.59	(4.80)
(ii) Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations, net		3.61	0.49
		3.61	0.49
Other comprehensive income / (loss) for the year, net of tax		**5.20**	**(4.31)**
Total comprehensive income for the year, net of tax		**209.14**	**67.76**
Profit attributable to:			
Equity holders of the parent		199.44	66.08
Non-controlling interest		4.50	5.99
		203.94	**72.07**
Other comprehensive income/(loss) attributable to:			
Equity holders of the parent		3.05	(4.41)
Non-controlling interest		2.15	0.10
		5.20	**(4.31)**
Total comprehensive income attributable to:			
Equity holders of the parent		202.49	61.67
Non-controlling interest		6.65	6.09
		209.14	**67.76**
Earnings per share of face value ₹ 1/- each	42		
Basic earnings per equity share (in ₹)		0.70	0.23
Diluted earnings per equity share (in ₹)		0.70	0.23

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner

Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director

DIN NO.: 00003633

P Ganesh
Chief Financial Officer

Place: Mumbai
Date: May 21, 2026

Adwaita Nayar
Executive Director

DIN NO.: 07931382

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from operating activities		
Profit before tax as per Statement of Profit and Loss	**330.23**	**127.45**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment and right-of-use assets	276.61	232.12
Amortisation of intangible assets	43.72	34.28
Interest expense and other finance costs	117.12	107.32
Unrealized foreign exchange gain (net)	(3.19)	-
Share based expense	16.71	16.90
Provision for gratuity expense	23.24	4.31
Provision for compensated absence	7.53	2.31
Allowance for expected credit loss / (reversal)	0.89	(0.78)
Interest income	(24.95)	(18.29)
Loss on sale of plant, property and equipment	0.31	-
Bad debts written off	7.77	3.52
Gain on cancellation of lease	(1.38)	(3.84)
Operating profit before working capital changes	**794.61**	**505.30**
Working capital Adjustments:		
(Increase) in trade receivables	(47.03)	(3.93)
(Increase) in inventories	(224.62)	(217.00)
(Increase) / Decrease in current financial asset	(18.79)	14.03
(Increase) in non-current financial assets	(27.11)	(7.44)
(Increase) in other current assets	(101.17)	(83.24)
Decrease / (Increase) in other non-current assets	5.20	(0.65)
Increase in trade payables	97.98	245.80
Increase in provisions	16.62	1.21
Increase in current financial liabilities	246.16	63.35
Increase in other current liabilities	50.88	13.15
(Decrease) in long-term provisions	(13.26)	(4.21)
Cash flows generated from operating activities	779.47	526.37
Payment of taxes (net of refunds)	(135.17)	(59.74)
Net cash flows generated from operating activities (A)	**644.30**	**466.63**
Cash flows from investing activities		
Purchase of property, plant and equipment and other intangible assets (net of capital advances)	(153.87)	(127.22)
Proceeds from sale of property, plant and equipment	2.10	-
Proceeds from long-term fixed deposits	89.08	19.95
Investment in long-term fixed deposits	(65.90)	(116.94)
(Investment) / Proceeds in / from bank deposits (net)	(50.62)	38.23
Purchase of investments in associate including call option (net off cash and cash equivalent)	-	(29.02)
Interest received	20.27	9.57
Net cash flows (used in) investing activities (B)	**(158.94)**	**(205.43)**
Cash flow from financing activities		

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Proceeds from issue of equity shares/ shares pending allotment including security premium	38.66	18.06
Acquisition of non-controlling interest	(3.51)	(267.92)
Issue of shares to non-controlling interest by subsidiary	32.10	13.10
Proceeds from non-current borrowings	-	192.62
Proceeds from sale and leaseback financing arrangement	6.37	-
Repayments of non-current borrowings	(82.90)	(0.36)
Proceeds from current borrowings (net)	(131.36)	84.52
Interest paid on borrowings	(76.38)	(72.39)
Principal payment of lease liabilities	(173.40)	(146.49)
Interest paid on lease liabilities	(42.68)	(33.18)
Net cash flows (used in) financing activities (C)	**(433.10)**	**(212.04)**
Net increase in cash and cash equivalents (A+B+C)	52.26	49.16
Cash and cash equivalents at the beginning of the year	124.94	75.78
Cash and cash equivalents at the year end (refer note 15)	**177.20**	**124.94**

Notes:

1. Non cash transactions relating to investing and financing activities (refer note 17, 28 and 43)
2. The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows.

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/ E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director
DIN NO.: 00003633

P Ganesh
Chief Financial Officer

Place: Mumbai
Date: May 21, 2026

Adwaita Nayar
Executive Director
DIN NO.: 07931382

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

A. Equity share capital

Equity shares issued, subscribed and fully paid (refer note 19)

Particulars	No. of shares	Amount
As at April 01, 2024	**2,85,59,85,609**	**285.60**
Issue of equity shares of face value of ₹ 1 each	32,66,874	0.33
As at March 31, 2025	**2,85,92,52,483**	**285.93**
Issue of equity shares of face value of ₹ 1 each	39,74,873	0.40
As at March 31, 2026	**2,86,32,27,356**	**286.33**

B. Other equity

Particulars	Equity attributable to equity holders of the parent											
		Reserves and surplus										
	Share application money pending allotment	Retained earnings	Securities premium	Capital reserve	Debenture redemption reserve (DRR)	Employee shares option scheme reserve	Other reserves	Foreign Currency Translation Reserve	Other Comprehensive Income (OCI)	Total other equity	Non -controlling interest	Total
Balance as at April 01, 2024	0.50	(6.15)	1,235.43	0.04	-	28.11	(280.65)	(0.06)	(0.59)	976.63	18.81	995.44
Net profit for the year	-	66.08	-	-	-	-	-	-	-	66.08	5.99	72.07
Other comprehensive income	-	-	-	-	-	-	-	0.49	(4.90)	(4.41)	0.10	(4.31)
Total comprehensive income	-	66.08	-	-	-	-	-	0.49	(4.90)	61.67	6.09	67.76
Securities premium on issue of shares on account of ESOP	-	-	18.15	-	-	-	-	-	-	18.15	-	18.15
Addition on account of share application money received	18.06	-	-	-	-	-	-	-	-	18.06	-	18.06
Share based payments (refer note 51)	-	-	-	-	-	16.90	-	-	-	16.90	-	16.90
Issue of shares to non-controlling interest by subsidiary	-	-	-	-	-	-	-	-	-	-	13.10	13.10
Shares allotted / lapsed during the year under ESOP scheme	(18.48)	1.03	6.91	-	-	(7.94)	-	-	-	(18.48)	-	(18.48)
Financial liability for acquisition through put option	-	-	-	-	-	-	(70.72)	-	-	(70.72)	-	(70.72)
Adjustment for NCI's carrying value for put option							13.14			13.14	(13.14)	-
Creation of DRR on account of issue of non-convertible debentures	-	(12.50)	-	-	12.50	-	-	-	-	-	-	-
Recognition of NCI on account of acquisition {Refer note 53 (B)}	-	-	-	-	-	-	-	-	-	-	16.52	16.52
As at March 31, 2025	**0.08**	**48.46**	**1,260.49**	**0.04**	**12.50**	**37.07**	**(338.23)**	**0.43**	**(5.49)**	**1,015.35**	**41.38**	**1,056.73**
Net profit for the year	-	199.44	-	-	-	-	-	-	-	199.44	4.50	203.94
Other comprehensive income	-	-	-	-	-	-	-	3.61	(0.56)	3.05	2.15	5.20
Total comprehensive income	-	199.44	-	-	-	-	-	3.61	(0.56)	202.49	6.65	209.14
Securities premium on issue of shares on account of ESOP	-	-	38.12	-	-	-	-	-	-	38.12	-	38.12
Addition on account of share application money received	38.66	-	-	-	-	-	-	-	-	38.66	-	38.66

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

(Amounts in ₹ crores, except per share data and unless stated otherwise)

Particulars	Equity attributable to equity holders of the parent											
		Reserves and surplus										
	Share application money pending allotment	Retained earnings	Securities premium	Capital reserve	Debenture redemption reserve (DRR)	Employee shares option scheme reserve	Other reserves	Foreign Currency Translation Reserve	Other Comprehensive Income (OCI)	Total other equity	Non-controlling interest	Total
Share based payments (refer note 51)	-	-	-	-	-	16.71	-	-	-	16.71	-	16.71
Issue of shares to non-controlling interest by subsidiary	-	-	-	-	-	-	-	-	-	-	32.10	32.10
Shares allotted / lapsed during the year under ESOP scheme	(38.52)	1.66	15.91	-	-	(17.57)	-	-	-	(38.52)	-	(38.52)
Financial liability for acquisition through put option	-	-	-	-	-	-	(137.03)	-	-	(137.03)	-	(137.03)
Adjustment for NCI's carrying value for put option	-	-	-	-	-	-	14.83	-	-	14.83	(14.83)	-
Redemption of DRR on account of payment towards non-convertible debentures	-	6.25	-	-	(6.25)	-	-	-	-	-	-	-
Acquisition of NCI	-	-	-	-	-	-	1.04	-	-	1.04	(1.18)	(0.14)
As at March 31, 2026	**0.22**	**255.81**	**1,314.52**	**0.04**	**6.25**	**36.21**	**(459.39)**	**4.04**	**(6.05)**	**1,151.65**	**64.12**	**1,215.77**

Refer note 20 for the nature and purpose of each reserve.

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson, CEO & Managing Director
DIN NO.: 00003633

P Ganesh
Chief Financial Officer

Place: Mumbai
Date: May 21, 2026

Adwaita Nayar
Executive Director
DIN NO.: 07931382

Dr. Chetan Sharma
Company Secretary & Compliance Officer
Membership No: F8352

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

1 Corporate Information

FSN E-Commerce Ventures Limited (hereinafter referred as the 'Company' or 'Holding Company' or 'Parent') (CIN: L52600MH2012PLC230136) and its subsidiaries (collectively, the 'Group') for the year ended March 31, 2026. The Company is a public company incorporated and domiciled in India. The registered office of the Company is located at 104, Vasan Udyog Bhavan, Sun Mill compound, Tulsi Pipe Road, Lower Parel, Mumbai - 400013.

The Group is engaged in the business of manufacturing, selling and distribution of beauty, wellness, fitness, personal care, health care, skin care, hair care products, fashion garments, fashion accessories and equipments on the online portals or websites such as e-commerce, m-commerce, internet, intranet as well as through physical stores, stalls, general trade and modern trade etc. and also in providing marketing support services.

The Board of Directors have approved the Consolidated Financial Statements for the year ended March 31, 2026 and approved for issue on May 21, 2026.

2 Material Accounting policies

2A Basis of preparation

i) Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

ii) Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following which are measured at fair value:

a) Certain financial assets and liabilities (including derivative instruments) are measured at fair value

b) Defined benefit plans

c) Equity settled ESOP at grant date fair value

iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2025 which amended certain accounting standards that are effective from the date of notification. These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

iv) New and amended standards issued but not effective

There are no standards that are notified and not yet effective as on the date.

2B Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and entities controlled by the Company i.e. its subsidiaries as at March 31, 2026. Control is achieved when the Group is exposed, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee;

(ii) Rights arising from other contractual arrangements;

(iii) The Group's voting rights and potential voting rights;

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders;

(v) Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period/year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31, 2026. When the end of the reporting period of the Holding Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company are combined with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Under the equity method of accounting (in case of associate), the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity accounted investments are tested for impairment.

(e) Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated financial statements.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost

(ii) Derecognises the carrying amount of any non-controlling interests

(iii) Derecognises the cumulative translation differences recorded in equity

(iv) Recognises the fair value of the consideration received

(v) Recognises the fair value of any investment retained

(vi) Recognises any surplus or deficit in Statement of Profit and Loss

(vii) Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners

(viii) Reclassifies the Company's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

2C Summary of material accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised as incurred and included in other expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 "Financial Instruments", is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with Ind AS 109. Other contingent consideration that is not within the scope of Ind AS 109 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

The interest of non-controlling shareholders may be initially measured either at fair value or at the noncontrolling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those

interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the non-controlling interest and the net book value of the additional interest acquired is adjusted in equity.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

b) Current versus non-current classification

The Group segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

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

c) Property plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the qualifying asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is included in asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Group and cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss for the period during which they are incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Cost incurred on property, plant and equipment not ready for their intended use is disclosed as Capital Work-in-Progress and is stated at cost, net of accumulated impairment loss, if any. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Property, Plant & Equipment

Depreciation is provided using the Straight-Line Method based on useful lives of the assets prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

Property, plant and equipment	Useful lives (in years)
Plant and Machinery	8
Computers and Hardware	3
Furnitures and Fixtures	10
Office Equipment	5
Vehicles	8
Leasehold equipments	Period of primary lease

The assets' residual values, useful lives and methods of depreciation are reviewed at each reporting period and adjusted prospectively for any change in estimate, if appropriate. Changes in expected useful lives are treated as change in accounting estimate.

d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed as either finite or indefinite.

Following, initial recognition, intangible assets with finite lives are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the period/year in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss.

Research and development costs

Research costs are expensed as incurred. Development expenditure on an individual project are recognised as an intangible asset when the Group can demonstrate:

a) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

b) Its intention to complete and its ability and intention to use or sell the asset

c) How the asset will generate future economic benefits

d) The availability of resources to complete the asset

e) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

Amortization of intangible assets

Intangible assets are amortized on straight line basis as per the following useful lives:

Intangible asset	Useful lives (in years)
Trademark	5-15 years
Business application development (Internally generated)	3
Computer Software	3
Brands	15

e) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised, i.e. wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net fair value and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared for the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the Statement of Profit and Loss.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase."

f) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Finished goods: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.

Stock in trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion necessary to make the sale.

An inventory provision is recognised for cases where the net realisable value is estimated to be lower than the inventory carrying value. The net realisable value is estimated taking into account various factors, including obsolescence of material due to design change, process change etc., unserviceable items i.e. items which cannot be used due to deterioration in quality or due to shelf life or damaged in storage and ageing of material i.e. slow moving/non-moving prevailing sales prices of inventory."

g) Leases

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

Group as a lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets (ROU Asset)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the primary lease term.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (e) impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low value assets:

The Group applies the short-term lease recognition exemption to its short-term leases of buildings, furniture and fixtures (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases where the underlying asset is considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

h) Financial Instruments

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

I) Initial recognition and measurement

All financial assets and liabilities are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Financial Assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price as disclosed in section 2C(i) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

II) Subsequent measurement

i) Financial assets

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

a) Financial assets at amortised cost (debt instruments)

b) Financial assets at fair value through other comprehensive income (FVTOCI)

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

with recycling of cumulative gains and losses (debt instruments)

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

d) Financial assets at fair value though profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

The Group's financial assets at amortised cost includes trade and other receivables and loans to employees.

Financial assets at fair value through other comprehensive income (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial Assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Impairment of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ii) Financial Liabilities

Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Subsequent measurement

Financial liabilities at fair value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

i) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of discounts offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The Group identifies the performance obligations in its contracts with customers and recognises revenue as and when the performance obligations are satisfied. The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Group expects to receive in exchange for products. Revenue from the sale of products is recognised when products are delivered to customer.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Contracts where the Group's obligation is to arrange for the provision of goods and services by another party, the Group recognises revenue in the amount of the commission to which it expects to be entitled in exchange for arranging for the provision of goods and services.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Rendering of services

Income from marketplace services:

The Group's B2B marketplace service generates revenue primarily from transaction fee paid by vendors in marketplace. Revenue related to transaction fees and any related fulfilment fees earned from these arrangements are recognised when the services are rendered, which generally happens at the time underlying sales has been concluded.

Marketing Support Revenue

The Group recognises marketing income i.e. visibility services provided by the Group to various brands at retail outlets of the Group. Revenue from advertisement services is recognised when advertisement is displayed.

Advertising revenue is derived from displaying web and application-based banner ads and sale of online advertisements. Revenue from banner advertisement is recognised when advertisement is displayed.

Revenue from sale of online advertisements is recognised based on output method and the Group applies the practical expedient to recognise advertising revenue on the amount to which the Group has a right to invoice upon rendering of services.

Reward points programme

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

When estimating the stand-alone selling price of the reward points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on an annual basis and any adjustments to the contract liability balance are charged against revenue.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for products or services transferred to the customer. If the Group performs by transferring products or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

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

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

j) Interest income

Interest income is accrued on time basis, by reference to the principle outstanding and using the effective interest rate method. Interest income is included under the head "other income" in the statement of profit and loss.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

k) Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

l) Foreign currency transactions Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Nonmonetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on settlement or translation of other monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period/year, or reported in previous financial statements, are recognized as income or as expenses in the Statement of Profit and Loss in the period/year in which they arise.

Translation of financial statements of foreign entities

Translation of financial statements of foreign entities. On consolidation, the assets and liabilities of foreign operations are translated into (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

Net investments in foreign operation

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss.

j) Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share."

k) Employee benefits

Short term employee benefits

All short term employee benefits such as salaries, incentives, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the Statement of Profit and Loss.

Post-employment benefits

Defined Contribution Plans

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the funds is due. There are no other obligations other than the contribution payable to the fund. The Group recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Defined Benefit Plans

Gratuity

The Group have an obligation towards gratuity, a defined benefit plan covering eligible employees (including off roll employees). The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The gratuity benefits are unfunded.

Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period/year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through 'Other comprehensive income' in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

The Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future utilisation / encashment. The liability is provided based on the number of days of recognized leave at each balance sheet date on the basis of an independent actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least 12 months after the reporting date, regardless of when the actual settlement.

l) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The management assessed that cash and cash equivalents, trade receivables, advances, trade payables, bank overdraft and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management selects appropriate valuation techniques using discounted cash flow model when the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

m) Income taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

- Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and deferred tax are measured using the tax rates and tax laws enacted or substantively enacted, at the reporting date. Current income tax and deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in OCI or in equity). The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, and other short term highly liquid investments which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

o) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence and other disclosures in the notes to the financial statements unless the possibility of any outflow in settlement is remote.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

p) **Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive.

q) **Segment reporting policies**

The operating segments are the segments for which separate financial information is available and for which operating profit/ loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities.

3 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Group's accounting policies and that have the most significant effect on the amount recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

I) **Judgements:**

Determining the lease term of contracts with renewal and termination options – the Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The Group included the renewal period as part of the lease term for leases of property with shorter non-cancellable period (i.e., 3 to 5 years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on business if a replacement alternate property is not readily available. The renewal periods for leases of property with longer non-cancellable periods (i.e., 6 to 10 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

included as part of the lease term only when they are reasonably certain not to be exercised.

II) Estimates and assumptions

a) **Estimation of useful life of property, plant and equipment and intangible asset**

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial period/year end. The lives are based on historical experience with similar assets

b) **Fair Value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c) **Estimation of defined benefit obligation and compensated absences**

The cost of the defined benefit gratuity plan, compensated absences and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases are based on expected future inflation rates. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes.

d) **Income taxes**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

e) **Deferred Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability the Group considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Group has recognised deferred tax assets on the unused tax losses and other deductible temporary differences since the management is of the view that it is probable the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

f) **Business combination**

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

g) **Provision**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

h) Impairment of financial assets

The impairment provisions for financial assets depending on their classification are based on assumptions about risk of default, expected cash loss rates, discounting rates applied to these forecasted future cash flows, recent transactions and independent valuer's report. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

i) Provision for expected credit losses of trade receivables and contract assets

The impairment provisions for financial assets depending on their classification are based on assumptions about risk of default, expected cash loss rates, discounting rates applied to these forecasted future cash flows, recent transactions and independent valuer's report. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

j) Leases – Estimating the incremental borrowing rates

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Company's credit rating).

k) Other estimates

The share-based compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 4 Property, plant and equipment

Particulars	Computers and hardware	Furniture and fixtures	Office equipment	Vehicles	Plant and machinery	Leasehold improvements	Total
Gross carrying amount							
As at April 01, 2024	**65.44**	**194.48**	**72.15**	**1.13**	**1.75**	**88.90**	**423.85**
Additions	12.23	51.75	27.26	0.70	0.23	25.30	117.47
Addition on account of acquisition {refer note 53 (B)}	0.38	0.48	0.45	0.05	1.98	0.37	3.71
Disposals	(5.05)	(15.01)	(2.14)	-	(0.02)	(8.66)	(30.88)
Foreign exchange (loss) / gain (net)	0.01	0.07	0.03	-	-	-	0.11
As at March 31, 2025	**73.01**	**231.77**	**97.75**	**1.88**	**3.94**	**105.91**	**514.26**
Additions	16.73	63.13	10.56	-	6.16	19.36	115.94
Disposals	(4.01)	(15.02)	(1.71)	-	(0.60)	(6.63)	(27.97)
Foreign exchange (loss) / gain (net)	0.03	1.83	0.01	-	-	-	1.87
As at March 31, 2026	**85.76**	**281.71**	**106.61**	**1.88**	**9.50**	**118.64**	**604.10**
Accumulated depreciation							
As at April 01, 2024	**49.10**	**56.61**	**31.19**	**0.63**	**0.44**	**50.11**	**188.08**
Depreciation charge for the year	13.29	26.83	14.93	0.20	0.22	25.01	80.48
Addition on account of acquisition {refer note 53 (B)}	0.32	0.11	0.13	0.02	0.51	0.13	1.22
Disposals	(4.77)	(13.95)	(1.57)	-	(0.01)	(6.93)	(27.23)
Foreign exchange (loss) / gain (net)	(0.00)*	(0.00)*	(0.01)	-	-	-	(0.01)
As at March 31, 2025	**57.94**	**69.60**	**44.67**	**0.85**	**1.16**	**68.32**	**242.54**
Depreciation charge for the year	9.59	35.54	12.89	0.18	1.04	28.30	87.54
Disposals	(3.94)	(14.33)	(1.09)	-	(0.05)	(6.74)	(26.15)
Foreign exchange (loss) / gain (net)	0.01	0.18	0.01	-	-	-	0.20
As at March 31, 2026	**63.60**	**90.99**	**56.48**	**1.03**	**2.15**	**89.88**	**304.13**
Net carrying amount							
As at March 31, 2026	**22.16**	**190.72**	**50.13**	**0.85**	**7.35**	**28.76**	**299.97**
As at March 31, 2025	**15.07**	**162.17**	**53.08**	**1.03**	**2.78**	**37.59**	**271.72**

**Less than ₹ 0.01 crore*

Notes:

1) Movable assets have been pledged to secure borrowings of the Group (refer note 21 and note 25).

2) Refer note 48 for capital commitments.

Note 5 Capital work-in-progress

Particulars	Amount
As at April 01, 2024	6.07
Addition	44.93
Capitalisation	(47.83)
As at March 31, 2025	**3.17**
Addition	49.88
Capitalisation	(43.80)
As at March 31, 2026	**9.25**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Capital work-in-progress ageing schedule

Particulars	Amount lying in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026	9.25	-	-	-	9.25
As at March 31, 2025	3.17	-	-	-	3.17

Notes:

1) Capital work-in-progress comprises of expenses incurred towards improvement to leasehold premises.

2) There are no overdue or cost overrun projects compared to its original plan and no projects which are temporarily suspended, on the above mentioned reporting dates.

Note 6 Intangible assets & Goodwill

Particulars	Business application development cost	Computer Softwares	Trademark	Total Other Intangible Assets	Goodwill
Gross carrying amount					
As at April 01, 2024	**101.61**	**12.01**	**77.11**	**190.73**	**61.10**
Additions	29.79	-	1.90	31.69	-
Addition on account of acquisition {refer note 53 (B)}	-	0.72	28.52	29.24	36.43
Disposals	(0.91)	-	(0.04)	(0.95)	-
Foreign exchange (loss) / gain (net)	0.03	0.02	-	0.05	-
As at March 31, 2025	**130.52**	**12.75**	**107.49**	**250.76**	**97.53**
Additions	15.12	42.08	-	57.20	-
Disposals	-	(0.05)	-	(0.05)	-
Foreign exchange (loss) / gain (net)	(0.12)	(0.10)	0.06	(0.16)	-
As at March 31, 2026	**145.51**	**54.68**	**107.56**	**307.75**	**97.53**
Accumulated amortisation					
As at April 01, 2024	**56.69**	**6.94**	**16.64**	**80.27**	**0.03**
Amortisation charge for the year	22.29	3.41	8.58	34.28	-
Addition on account of acquisition {refer note 53 (B)}	-	0.47	0.03	0.50	-
Disposals	-	-	(0.03)	(0.03)	-
As at March 31, 2025	**78.98**	**10.82**	**25.22**	**115.02**	**0.03**
Amortisation charge for the year	30.68	2.98	10.06	43.72	-
Disposals/ Adjustment	-	-	-	-	-
As at March 31, 2026	**109.66**	**13.80**	**35.28**	**158.74**	**0.03**
Net carrying amount					
As at March 31, 2026	**35.85**	**40.87**	**72.27**	**149.01**	**97.50**
As at March 31, 2025	**51.54**	**1.93**	**82.27**	**135.74**	**97.50**

Notes:

1) Refer note 48 for capital commitments.

2) Impairment testing of Goodwill:

For impairment testing, goodwill acquired through business combinations pertains to the subsidiaries i.e. Dot & Key Wellness Limited (Formerly known as Dot & Key Wellness Private Limited) {'Dot & Key'}, Iluminar Media Limited (Formerly Iluminar Media Private Limited) {'Iluminar'} (merged with Nykaa Fashion Limited in current year) and Earth Rhythm Private Limited (ERPL).

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Carrying amount of goodwill allocated to each of the CGUs:

Particulars	ERPL		Dot & Key		Iluminar	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Goodwill	36.43	36.43	46.97	46.97	13.52	13.52
Total	**36.43**	**36.43**	**46.97**	**46.97**	**13.52**	**13.52**

The Group performed its annual impairment test for years ended March 31, 2026 and March 31, 2025 at year end, respectively.

Dot & Key CGU:

The recoverable amount of the Dot & Key has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at March 31, 2026, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 15.60%. The cash flows beyond 5 years have been extrapolated assuming 5.00% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Iluminar CGU:

The recoverable amount of the Iluminar has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at March 31, 2026, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 21.50%. The cash flows beyond 5 years have been extrapolated assuming 5.00% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Earth Rhythm Private Limited CGU:

The recoverable amount of the Earth Rhythm has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at March 31, 2026, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 19.40%. The cash flows beyond 5 years have been extrapolated assuming 5.00% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Note 7 Right of use assets

Particulars	Buildings	Furniture & Fixtures	Total
Gross carrying amount			
As at April 01, 2024	**566.70**	**-**	**566.70**
Additions	218.75	17.33	236.08
Addition on account of acquisition {refer note 53 (B)}	8.79	-	8.79
Disposals	(85.01)	-	(85.01)
Foreign exchange (loss) / gain (net)	0.06		0.06
As at March 31, 2025	**709.29**	**17.33**	**726.62**
Additions	363.83	-	363.83
Disposals	(61.89)	-	(61.89)
Foreign exchange (loss) / gain (net)	0.75	-	0.75
As at March 31, 2026	**1,011.98**	**17.33**	**1,029.31**
Accumulated depreciation			
As at April 01, 2024	**305.85**	**-**	**305.85**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Buildings	Furniture & Fixtures	Total
Depreciation charge for the year	149.48	2.16	151.64
Addition on account of acquisition {refer note 53 (B)}	3.83	-	3.83
Disposals	(64.57)	-	(64.57)
Foreign exchange (loss) / gain (net)	0.01	-	0.01
As at March 31, 2025	**394.60**	**2.16**	**396.76**
Depreciation charge for the year	185.38	3.69	189.07
Disposals	(18.74)	-	(18.74)
Foreign exchange (loss) / gain (net)	0.75	-	0.75
As at March 31, 2026	**561.99**	**5.85**	**567.84**
Net carrying amount			
As at March 31, 2026	**449.99**	**11.48**	**461.47**
As at March 31, 2025	**314.69**	**15.17**	**329.86**

Notes:

1) Disposals include derecognition of ROU asset on cancellation/expiry of lease contract.

Note 8 Intangible assets under development ('IAUD')

Particulars	Amount
As at April 01, 2024	**23.70**
Addition	39.60
Addition on account of acquisition {refer note 52 (B)}	0.11
Capitalisation	(29.84)
As at March 31, 2025	**33.57**
Addition	24.01
Capitalisation	(57.58)
As at March 31, 2026	**-**

Particulars	Amount of the IAUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2026	-	-	-	-	-
As at March 31, 2025	25.82	7.75	-	-	33.57

Notes:

1) There are no overdue or cost overrun projects compared to its original plan and no periods which are temporarily suspended, on the above-mentioned reporting dates.

Note 9 Non-current investments (unquoted)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in preference shares (unquoted, fully paid up)		
JMS Logistics and Express Private Limited	-	-
In Series A1 Compulsory Convertible Cumulative Preference Shares of ₹ 1/- each	-	-
Total investments measured at FVTOCI (refer note 1 below)	-	-
Measured at FVTPL		

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
Other non-tradeable investments	0.16	0.16
Total non-current investments	**0.16**	**0.16**
Aggregate amount of unquoted investments	**0.16**	**0.16**
Aggregate amount of impairment in value of investments (refer note 2 below)	**3.80**	**3.80**

Notes:

1) Investments at fair value through OCI (fully paid) reflect investment in unquoted securities. These securities are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

2) The Group had invested ₹ 3.80 crore in JMS Logistics and Express Private Limited, which has been impaired in earlier years.

Note 10 Other financial assets (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Security deposits (unsecured, considered good)	67.34	51.26
Deposits with banks with original maturity of more than twelve months	-	6.24
Deposits with Financial Institutions with original maturity of more than twelve months	-	40.00
Measured at FVTPL		
Call option asset (Refer note 53 {B})	1.18	1.18
Total	**68.52**	**98.68**

Note 11 Income tax

(a)The major components of income tax expense / (credit) are:

(1) Income tax expense reported in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax:		
In respect of current year	128.31	35.98
In respect of earlier year[#]	9.18	5.52
	137.49	**41.50**
Deferred tax:		
In respect of current year	(5.38)	17.48
In respect of earlier year[#]	(5.82)	(5.23)
	(11.20)	**12.25**
Income tax expense reported in the Statement of Profit and Loss	**126.29**	**53.75**

[#] On account of actualization of Income tax return filed by the Company for the Assessment Year 2025-26 and 2024-25.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(2) OCI section - Deferred tax related to items recognised in OCI during the year:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax income/(expense) on remeasurements of defined benefit plans and fair valuation of investments	(0.37)	1.21
Income tax expense credited / (charged) to OCI	**(0.37)**	**1.21**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	330.23	127.45
Applicable tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	83.12	32.08
Tax effect of:		
Amortisation on acquired trademark	2.17	1.78
Corporate Social Responsibility	1.87	1.62
Deferred tax asset not created on losses of early stage subsidiaries	36.53	17.08
Others	2.60	1.19
	126.29	**53.75**

(c) Reconciliation of average effective tax rate and applicable tax rate for March 31, 2026 and March 31, 2025:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	330.23	127.45
Applicable tax rate	25.17%	25.17%
Tax effect of:		
Amortisation on acquired trademark	0.66%	1.39%
Corporate Social Responsibility	0.57%	1.27%
Deferred tax asset not created on losses of early stage subsidiaries	11.06%	13.40%
Others	0.79%	0.94%
Effective tax rate	**38.24%**	**42.17%**

Deferred tax assets (net):

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets arising on account of		
Expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	24.45	50.36
Brought forward losses	69.21	84.16
Allowance for expected credit losses and provision for inventory	40.68	3.54
Timing difference between book depreciation and depreciation as per the Income-tax Act, 1961	75.31	75.91
Unrealised profit on Inventory	46.07	33.67
Lease liabilities	123.76	95.57
Deferred tax assets (A)	**379.49**	**343.21**
Deferred tax liabilities arising on account of		

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
Leased Asset	110.71	85.26
Deferred tax liabilities (B)	**110.71**	**85.26**
Deferred tax assets (net) (C=A-B)	**268.78**	**257.95**

The Group, as at March 31, 2026, has recognised deferred tax assets in the books of Nykaa Fashion Limited of ₹ 72.18 crore (March 31, 2025: ₹ 72.18 crore) and FSN Distribution Limited of Nil (March 31, 2025: ₹ 6.70 crore), in respect of carry forward losses, unabsorbed depreciation and other temporary differences. In assessing the realisability of its deferred tax assets, the management of these entities has considered business projection for foreseeable future period and believes that such projections are reliable and represent convincing evidence that sufficient taxable profit will be available against which the carry forward losses and unabsorbed depreciation can be utilised.

Deferred tax assets have not been recognised in respect of tax losses which arose in India of ₹ 139.86 crore (31 March 2025: ₹ 3.51 crore) that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose and these losses will expire upto March 2034.

Reconciliation of deferred tax assets (net):

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	257.95	268.99
Tax (expense)/credit recognised in Statement of Profit and Loss for the year	11.20	(12.25)
Tax credit / (expense) recognised in OCI for the year	(0.37)	1.21
Closing balance	**268.78**	**257.95**

Note 12 Other non-current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advance for capital goods	2.99	2.42
Balance with statutory / government authorities	2.53	7.73
Total	**5.52**	**10.15**

Note 13 Inventories (valued at lower of cost or net realisable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Stock-in-trade*	1,609.77	1,357.14
Finished goods*	9.89	35.86
Raw materials	5.63	5.84
Packing material	16.87	18.70
Total	**1,642.16**	**1,417.54**
Provision for inventories taking into account various factors, including obsolescence of material, unserviceable items and ageing of material	161.96	158.10

**The inventory includes good-in-transit as follows:*

Stock-in-trade - As at March 31, 2026 ₹ 149.32 crore (March 31, 2025 : ₹ 101.05 crore)

Finished goods - As at March 31, 2026 ₹ 1.14 crore (March 31, 2025 : ₹ 7.87 crore)

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 14 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables – unsecured, considered good	289.38	246.61
Trade receivables – credit Impaired	17.68	14.29
Gross Trade receivables	**307.06**	**260.90**
Less: allowances for expected credit loss (refer note 47)	(17.68)	(14.29)
Total	**289.38**	**246.61**

Trade receivable ageing schedule (gross)

As at 31 March 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	
Undisputed trade receivables – unsecured, considered good	63.35	224.27	1.76	-	-	-	289.38
Undisputed trade receivables – credit impaired	-	0.34	8.50	6.29	1.38	1.17	17.68
Total	**63.35**	**224.61**	**10.26**	**6.29**	**1.38**	**1.17**	**307.06**

As at 31 March 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	
Undisputed trade receivables – unsecured, considered good	56.54	190.07	-	-	-	-	246.61
Undisputed trade receivables – credit impaired	0.22	0.42	8.24	4.24	0.75	0.42	14.29
Total	**56.76**	**190.49**	**8.24**	**4.24**	**0.75**	**0.42**	**260.90**

Note 15 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	1.23	0.08
Balances with banks in current accounts	93.92	56.20
Deposits with original maturity of less than three months[1]		
- With Banks	82.05	68.66
- With Financial Institution	-	-
Total	**177.20**	**124.94**

[1] Deposits earns interest at floating rates based on daily bank deposit rates on deposits. Short Term deposits are made for varying periods of between seven day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 16 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits with original maturity for more than three months but less than twelve months[1]		
- With Banks	85.35	82.21
- With Financial Institution.	57.33	10.00
Earmarked deposit with banks	0.15	-
Total	**142.83**	**92.21**

[1] Includes lien amounting to ₹ 10.21 crore (March 31, 2025 : ₹ 14.32 crore)

Note 17 Other financial assets (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Security deposit		
Considered good	37.34	32.80
Credit impaired	2.63	0.76
Less: Allowances for expected credit loss (refer note 47)	(2.63)	(0.76)
Unbilled receivable	51.18	52.77
Current maturity of deposits with banks having original maturity of more than twelve months(1)	30.68	65.17
Current maturity of deposits with Financial Institution having original maturity of more than twelve months	67.55	10.00
Receivable from payment gateway / cash collection vendors	121.47	101.54
Interest accrued on deposit but not due	1.25	4.83
Other Receivable	2.00	2.19
Measured at FVTPL		
Mark to market derivative instrument	0.78	-
Total	**312.25**	**269.30**

[1] Includes lien amounting to ₹ 0.62 crore (March 31, 2025 : ₹ 0.08 crore)

Interest accrued on deposit but not due

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	4.83	2.92
Interest accrued during the year	16.69	11.48
Receipt of interest during the year	(20.27)	(9.57)
Closing balance	**1.25**	**4.83**

Note 18 Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advances other than capital advances		
Advance to suppliers	75.88	39.93
Prepaid expenses	25.87	18.70
Balance with statutory / government authorities	523.37	467.85
Total	**625.12**	**526.48**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 19 Share Capital

Authorised share capital

Particulars	Equity shares	
	Numbers	Amount
As at April 01, 2024 (face value ₹ 1 each)	**3,25,00,00,000**	**325.00**
Increase during the year	-	-
As at March 31, 2025 (face value ₹ 1 each)	**3,25,00,00,000**	**325.00**
Increase during the year	-	-
As at March 31, 2026 (face value ₹ 1 each)	**3,25,00,00,000**	**325.00**

Issued, subscribed and fully paid-up share capital

Particulars	Equity shares	
	Numbers	Amount
As at April 01, 2024	**2,85,59,85,609**	**285.60**
Issue of equity shares of face value of ₹ 1 each	32,66,874	0.33
As at March 31, 2025	**2,85,92,52,483**	**285.93**
Issue of equity shares of face value of ₹ 1 each	39,74,873	0.40
As at March 31, 2026	**2,86,32,27,356**	**286.33**

Notes:

(a) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders' approval.

(b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Sanjay Nayar (through family trust)	60,20,84,620	21.03%	63,41,13,520	22.18%
Falguni Nayar (through family trust)	60,20,84,620	21.03%	62,58,34,620	21.89%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(c) Shares reserved for issue under option

The Company has reserved issuance of 21,00,00,000 (March 31, 2025: 21,00,00,000) equity Shares of ₹ 1 each for offering to Eligible Employees of the Company and its subsidiaries under Employees Stock Option Scheme (ESOS). During the year ended March 31, 2026 the Company has granted 35,57,500 options (March 31, 2025: 38,75,000). Cumulative number of equity shares granted under Employee Stock Option Scheme (ESOS) is 6,84,99,300 equity shares as at March 31, 2026. (March 31, 2025: 6,49,41,800).

(d) Shares issued for consideration other than cash

1) The Company has issued 2,373,563,075 bonus shares of face value of Re. 1 each during the year 2022-23 vide shareholders' approval dated November 02, 2022 in the ratio of 5 bonus shares for every 1 share held.

2) The Company had issued 31,13,57,900 bonus shares of face value of Re. 1 each during the year 2021-22 vide shareholders' approval dated July 16, 2021 in the ratio of 2 bonus shares for every 1 share held.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(e) Details of promoter shareholding

As at March 31, 2026

Promoter Name	Description	No. of shares at the beginning of the year	% of total Shares	No. of shares at the end of the year	% of total shares	% change during the year
Individuals:						
Anchit Nayar		9,60,480	0.03%	9,60,480	0.03%	0.00%
Adwaita Nayar		1,80,360	0.01%	1,80,360	0.01%	0.00%
Rashmi Mehta		63,162	0.00%	63,162	0.00%	0.00%
Through Family Trust:	Equity shares of ₹ 1 each fully paid					
Sanjay Nayar Family Trust		63,41,13,520	22.18%	60,20,84,620	21.03%	(1.15%)
Falguni Nayar Family Trust		62,58,34,620	21.89%	60,20,84,620	21.03%	(0.86%)
Anchit Nayar Family Trust		8,66,20,000	3.03%	9,84,95,000	3.44%	0.41%
Adwaita Nayar Family Trust		8,66,20,000	3.03%	9,84,95,000	3.44%	0.41%
Adwaita Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	4,45,14,450	1.55%	0.55%
Anchit Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	4,45,14,450	1.55%	0.55%
Total		**1,49,13,92,142**	**52.17%**	**1,49,13,92,142**	**52.08%**	**(0.09%)**

As at March 31, 2025

Promoter Name	Description	No. of shares at the beginning of the year	% of total Shares	No. of shares at the end of the year	% of total shares	% change during the year
Individuals:						
Anchit Nayar		9,60,480	0.03%	9,60,480	0.03%	0.00%
Adwaita Nayar		1,80,360	0.01%	1,80,360	0.01%	0.00%
Rashmi Mehta		63,162	0.00%	63,162	0.00%	0.00%
Through Family Trust:	Equity shares of ₹ 1 each fully paid					
Sanjay Nayar Family Trust		63,41,13,520	22.20%	63,41,13,520	22.18%	(0.02%)
Falguni Nayar Family Trust		62,58,34,620	21.91%	62,58,34,620	21.89%	(0.02%)
Anchit Nayar Family Trust		8,66,20,000	3.03%	8,66,20,000	3.03%	0.00%
Adwaita Nayar Family Trust		8,66,20,000	3.03%	8,66,20,000	3.03%	0.00%
Adwaita Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	2,85,00,000	1.00%	0.00%
Anchit Nayar - Sanjay Nayar Family Trust		2,85,00,000	1.00%	2,85,00,000	1.00%	0.00%
Total		**1,49,13,92,142**	**52.21%**	**1,49,13,92,142**	**52.17%**	**(0.04%)**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 20 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Securities premium		
Opening balance	1,260.49	1,235.43
Add : Additions during the year	38.12	18.15
Add: Transfer from employee share options scheme reserve	15.91	6.91
Closing balance (A)	**1,314.52**	**1,260.49**
(ii) Retained earnings		
Opening balance	48.46	(6.15)
Add: Profit during the year	199.44	66.08
Add: Shares lapsed during the year	1.66	1.03
Less: Transfer from / (to) debenture redemption reserve	6.25	(12.50)
Closing balance (B)	**255.81**	**48.46**
(iii) Other comprehensive income		
Opening balance	(5.49)	(0.59)
Add: Other comprehensive income for the year	(0.56)	(4.90)
Closing balance (C)	**(6.05)**	**(5.49)**
(iv) Share application money pending allotment		
Opening balance	0.08	0.50
Add : Additions during the year	38.66	18.06
Less: Shares allotted during the year	(38.52)	(18.48)
Closing balance (D)	**0.22**	**0.08**
(v) Employee share options scheme reserve		
Opening balance	37.07	28.11
Add : Additions during the year	16.71	16.90
Less: Shares exercised / lapsed during the year	(17.57)	(7.94)
Closing balance (E)	**36.21**	**37.07**
(vi) Capital reserve		
Opening balance	0.04	0.04
Add : Additions during the year	-	-
Closing balance (F)	**0.04**	**0.04**
(vii) Debenture redemption reserve		
Opening balance	12.50	-
Add : Addition during the year	-	12.50
Less : Redemption of DRR on account of payment towards non-convertible debentures	(6.25)	-
Closing balance (G)	**6.25**	**12.50**
(viii) Other reserve		
Opening balance	(338.23)	(280.65)
Add : Fair valuation of put option liability for acquisition of subsidiary	(137.03)	(70.72)
Less: NCI share of fair value of put option	14.83	13.14
Add: Acquisition of NCI	1.04	-
Closing balance (H)	**(459.39)**	**(338.23)**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
(ix) Foreign currency translation reserve		
Opening balance	0.43	(0.06)
Add : Addition during the year	3.61	0.49
Closing balance (I)	**4.04**	**0.43**
Total (A+B+C+D+E+F+G+H+I)	**1,151.65**	**1,015.35**

Nature and purpose of reserves:

(i) **Securities premium:** Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to securities premium.

(ii) **Retained earnings:** Retained earnings are the profits / (losses) that the Company has earned/incurred till date, less any dividends or other distributions paid to shareholders.

(iii) **Other Comprehensive Income:** This represents the cumulative gains and losses arising on remeasurement of defined employee benefit plan.

(iv) **Share application money pending allotment:** This represents the share application money received for Employee Stock Option Scheme for which shares are allotted during the current financial year.

(v) **Employee share options scheme reserve:** The fair value of the equity-settled share based payment transactions with employees is recognised in Employee Share Options Scheme Reserve.

(vi) **Capital Reserve:** Capital reserve is on account of forfeiture of partly paid up OCRPS and security premium thereon.

(vii) **Debenture Redemption Reserve:** The Group has issued redeemable non-convertible debentures repayable in two equal annual installments. Accordingly, the Group has created Debenture Redemption Reserve out of its profits as per the requirements of the Companies (Share capital and Debentures) Rules, 2014 (as amended).

(viii) **Other Reserve:** This represents fair value of put option liability towards acquisition of subsidiary. (Refer Note 53(A))

(ix) **Foreign Currency translation reserve:** Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in foreign currency translation reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Note 21 Borrowings (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Term loan from Bank (refer note i to iv)	18.33	47.80
9.25% non-convertible debentures (unsecured) (refer note v)	-	62.50
	18.33	110.30
Less: Unamortised upfront fee on borrowings	(0.00)	(0.09)
Total	**18.33**	**110.21**

Note:

i) As at March 31, 2026, ₹ 47.15 crore (March 31, 2025: ₹ 64.68 crore) of the total outstanding borrowings were secured by a first pari passu charge on current assets and movable fixed assets (both present and future). Weighted average rate of borrowings is ranging from 7.9% - 9.1% p.a.

ii) Loan from SIDBI ₹ Nil (March 31, 2025: ₹ 2.62 crore) is secured by hypothecation of book debts, current assets and movable Property, plant and equipment both present and future. It is for a period of 36 months and interest rate is 13% p.a. which is payable monthly.

iii) Term Loan (including current maturities) amounting to ₹ 19.98 crore (March 31, 2025: ₹ 30.00 crore) is repayable in 6 equal quarterly repayments, the next installment is due on July 08, 2026.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

iv) Term Loan (including current maturities) amounting to ₹ 27.17 crore (March 31, 2025: ₹ 35.00 crore) is repayable in 7 equal quarterly repayments, the next installment is due on October 11, 2026.

v) Refer note 25 (vi) for terms of non-convertible debentures.

Note 22 Lease liabilities (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable for lease liabilities (refer note 43)	296.85	211.55
Total	**296.85**	**211.55**

Note 23 Other financial liabilities (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liabilities measured at FVTPL		
Put option liability {refer note 53 (A)}	-	135.88
Other Payables [1]	1.66	-
Total	**1.66**	**135.88**

[1] Other financial liabilities pertain to a sale and leaseback arrangement entered into during the year. As the transfer of the underlying assets does not qualify as a sale under Ind AS 115, the assets continue to be recognised in the books of the Company. Accordingly, the proceeds received have been recognised as a financial liability under Ind AS 116 and are subsequently measured at amortised cost in accordance with Ind AS 109. Payments made under the arrangement are apportioned between repayment of principal and finance cost over the tenure of the arrangement.

Note 24 Provisions (non-current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer note 44)	25.50	18.18
Provision for litigation (refer movement below)	8.69	0.46
Total	**34.19**	**18.64**

Movement in provision for litigation:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	0.46	0.46
Add: Provision made during the year	8.23	-
Closing Balance	**8.69**	**0.46**

Note 25 Borrowings (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Working capital loan from banks (refer note i to v)	627.74	742.00
Current maturities of term loan from bank {refer note 21 (i to iv)}	28.89	19.82
Unsecured		
Working capital loan from banks (refer note ii to v)	10.00	27.10
Current maturities of unsecured debentures (refer note v)	62.50	62.50
	729.13	851.42
Less: Unamortised upfront fee on borrowings	(0.25)	(0.27)
Total	**728.88**	**851.15**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

A) Terms

i) Working capital/cash credit facilities from banks are secured by hypothecation of book debts, current assets and movable property, plant and equipment both present and future.

ii) Loans are payable on demand. Interest payable on working capital loan is MCLR/Repo rate adjusted with the risk spread mutually agreed between the parties.

iii) Bank loan contains certain financial covenants and there have been no breaches in the financial covenants of any interest-bearing borrowings.

iv) As at March 31, 2026, the Group had available ₹ 481 crore (March 31, 2025: ₹ 389 crore) of undrawn committed borrowing facilities.

v) Quarterly statements of current assets filed by the Company and its subsidiaries with banks are in agreement with the books of account.

vi) The 9.25% debentures are unsecured and are repayable in one final installment of ₹ 62.50 crore on August 12, 2026.

Note 26 Lease liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable for lease liabilities (refer note 43)	193.75	147.68
Total	**193.75**	**147.68**

Note 27 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprise and small enterprises	116.34	45.26
Total outstanding dues of creditors other than micro enterprise and small enterprises	616.16	589.57
Total	**732.50**	**634.83**

Notes:

(i) Refer note 45 related party disclosures for trade payables to related parties.

(ii) Trade payables are non interest bearing.

(iii) The Company has entered into supplier finance arrangements with a financial institution. Under the arrangement, suppliers may elect to receive early payment of invoices from the financial institution. The Company is obligated to settle the invoiced amounts with the financial institution on the agreed due dates. The arrangements do not provide the Company with an extension of payment terms beyond those agreed with suppliers. The carrying amount of financial liabilities that are part of supplier finance arrangement is ₹ 46.09 crore and is included in trade payables.

Trade payables aging schedule

As at March 31, 2026

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	3.08	113.26	-	-	-	116.34
Total outstanding dues of creditors other than micro enterprises and small enterprises	406.65	203.92	3.17	1.48	0.94	616.16
Total	**409.73**	**317.18**	**3.17**	**1.48**	**0.94**	**732.50**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

As at March 31, 2025

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	7.65	37.61	-	-	-	45.26
Total outstanding dues of creditors other than micro enterprises and small enterprises	246.26	339.49	0.96	0.78	2.08	589.57
Total	**253.91**	**377.10**	**0.96**	**0.78**	**2.08**	**634.83**

Note 28 Other financial liabilities (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Employee related liabilities	92.20	58.72
Accrued expenses	511.01	311.82
Creditors for capital goods	20.18	29.37
Market-place vendors	42.96	34.33
Interest accrued but not due	1.84	3.89
Security Deposit - Vendors	4.86	-
Measured at FVTPL		
Put option liability {refer note 53 (A)}	269.54	-
Mark to market derivative instrument	-	0.48
Other Payables (Refer note 23)	4.71	-
Total	**947.30**	**438.61**

Note:

(i) Refer note 45 related party disclosures for accrued expenses and employee related liabilities

Movement in interest accrued and not due and finance charge:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	3.89	1.78
Interest and finance charge accrued during the year	74.44	74.50
Payment of interest and finance charge during the year	(76.50)	(72.39)
Closing balance	**1.84**	**3.89**

Note 29 Provisions (current)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer note 44)	13.74	3.71
Provision for compensated absences	13.07	6.48
Total	**26.81**	**10.19**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 30 Contract liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	37.43	22.09
Deferred revenue (provision for reward points)	22.64	15.52
Total	**60.07**	**37.61**

Movement in provision for reward points:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	15.52	13.19
Provision made during the year	79.77	63.73
Provision utilised during the year	(72.65)	(61.40)
Closing balance	**22.64**	**15.52**

Note 31 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	68.94	40.52
Total	**68.94**	**40.52**

Note 32 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Sale of products	8,644.95	6,857.90
B. Sale of services		
Marketing support revenue	912.61	733.33
Income from marketplace services	371.86	293.47
C. Other operating revenue		
Logistics services income (shipping and delivery charges)	86.77	63.31
Others	6.16	1.81
Total	**10,022.35**	**7,949.82**

Revenue from geographical market	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	9,967.24	7,926.27
Outside India	55.11	23.55
Total	**10,022.35**	**7,949.82**

(A) Disaggregation of revenue from contracts with customers

The Company and its subsidiaries derives its major revenue from sale of products on its own platform, offline stores and other retail channels, from sale of services primarily from advertisement services (marketing support) to its suppliers which is related to sale of product business and from marketplace services by providing its platform to various marketplace vendors to sell their products.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(B) Reconciliation between the contract price and revenue from contracts with customers

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract price	10,044.81	7,960.09
Revenue recognised in the period from:		
Revenue recognised in the current year from contract liability:		
Advance from customer	22.09	14.15
Reward Point	15.52	13.19
Revenue deferred in the current year towards unsatisfied performance obligation:		
Advance from customer	(37.43)	(22.09)
Reward point	(22.64)	(15.52)
Revenue from operations	**10,022.35**	**7,949.82**

(C) Contract balances

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (refer note 14)	289.38	246.61
Contract liabilities (refer note 30)	60.07	37.61

Note 33 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest Income		
Security deposit measured at amortised cost	7.63	6.81
Bank deposit measured at amortised costs	16.69	11.48
Interest on tax refund	0.63	1.90
(b) Others		
Gain on cancellation of lease	1.38	3.84
Foreign exchange gain (net)	4.57	3.10
Miscellaneous income	1.87	0.13
Total	**32.77**	**27.26**

Note 34 Cost of material consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	5.84	4.61
Add: Purchase	14.40	9.33
Less: Closing stock	5.63	5.84
Total	**14.61**	**8.10**

Note 35 Purchase of traded goods

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases of traded goods	5,718.58	4,683.08
Total	**5,718.58**	**4,683.08**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 36 Changes in inventories of finished goods and stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Finished goods		
Opening stock	35.86	40.76
Closing stock	9.89	35.86
Changes in inventories of finished goods	**25.97**	**4.90**
Stock in trade		
Opening stock	1,357.14	1,133.72
Closing stock	1,609.77	1,357.14
Changes in inventories of stock-in-trade	**(252.63)**	**(223.42)**
Total	**(226.66)**	**(218.52)**

Note 37 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	711.13	615.15
Contribution to provident fund (refer note 44)	17.83	17.15
Gratuity expenses (refer note 44)	8.23	4.31
Compensated expenses	4.50	2.31
Share based payments (refer note 51)	16.71	16.90
Staff welfare expenses	13.13	10.25
Total	**771.53**	**666.07**

Note 38 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expenses on borrowings	69.66	71.70
Interest expenses on lease liabilities (refer note 43)	42.68	33.18
Other interest charges	1.31	0.27
Other finance charges	3.47	2.17
Total	**117.12**	**107.32**

Note 39 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (refer note 4)	87.54	80.48
Depreciation of right-of-use assets (refer note 7)	189.07	151.64
Amortisation of intangible assets (refer note 6)	43.72	34.28
Total	**320.33**	**266.40**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 40 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Marketing and advertisement expenses	1,266.02	994.82
Freight expenses	650.67	489.55
Outsource warehouse manpower expense	156.06	124.81
Consumption of packing materials	92.43	78.75
Web and technology expenses	180.57	137.38
Payment gateway charges	41.06	31.97
Legal and professional fees	49.60	42.96
Rent and maintenance expenses	58.73	42.57
Rates and taxes	16.66	12.58
Expected credit loss (refer note 47)	0.89	(0.78)
Bad Debts written off (refer note 47)	7.77	3.52
Selling expenses	134.22	106.13
Beauty advisor expenses	136.48	110.21
Electricity charges	35.15	25.83
Insurance expenses	8.89	6.42
Travelling and conveyance expenses	28.24	28.31
Security expenses	29.81	21.57
Recruitment expenses	7.18	8.68
Warehouse operation management expenses	18.73	10.67
Printing and stationery expenses	4.77	6.31
Repairs and maintenance	13.81	12.65
Communication expenses	8.98	8.30
Brand usage fees	17.90	10.65
Bank charges	0.84	0.87
Director sitting fees and commission	2.87	1.52
Product Testing & Development Charges	2.01	-
Expenditure towards Corporate Social Responsibility ('CSR') activities	7.43	6.44
Auditors remuneration		
- Audit fees	2.70	2.30
- Other matters	0.02	0.12
- Out of pocket expenses	0.26	0.40
Miscellaneous expenses	11.23	11.67
Total	**2,991.98**	**2,337.18**

Note 41 Exceptional items

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Provision for inventory (refer note i)	10.38	-
Receipt of arbitration award (refer note ii)	(9.34)	-
Labour Code Impact (refer note iii)	16.36	-
Total exceptional items	**17.40**	**-**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(i) It represents provision of ₹ 10.38 crore (including applicable GST) on account of misappropriation of inventory at one of the subsidiary's warehouses. The subsidiary has taken necessary steps to recoup the loss including registering the claim with the insurance company.

(ii) It represents income of ₹ 9.34 crore (net of expenses for the quarter) representing receipt of arbitration award dated August 5, 2025. This is for a legal dispute initiated by the Company for breach of employment contract obligations of confidentiality and non-solicitation of one of the subsidiaries of the Group.

(iii) On November 21, 2025, the Government of India notified four Labour Codes—the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety, Health and Working Conditions Code, 2020—thereby consolidating 29 existing labour laws. The Ministry of Labour & Employment subsequently issued draft Central Rules and FAQs to facilitate assessment of the financial impact arising from the regulatory changes.

The Group has evaluated and disclosed the impact of these changes based on the best information available, in line with the guidance issued by the Institute of Chartered Accountants of India. Considering the materiality and the regulatory-driven non-recurring nature of the impact, the Group has presented the incremental impact of ₹16.36 crore as "Statutory impact of new Labour Codes" under "Exceptional Items" in the consolidated financial statements for the year ended March 31, 2026.

The Group continues to monitor the finalization of Central and State Rules, as well as further clarifications from the Government, and will recognize appropriate accounting effects based on such developments, as and when required.

Note 42 Earnings per share (EPS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Nominal value of per equity share	1.00	1.00
Profit attributable to equity shareholders of the parent (A)	199.44	66.08
Total number of shares outstanding during the year	2,86,32,27,356	2,85,92,52,483
Weighted average number of equity shares outstanding during the year (B)	2,86,13,30,240	2,85,77,78,495
Basic EPS (A/B)	**0.70**	**0.23**
Dilutive effect on weighted average number of equity shares outstanding during the year (C)	44,53,081	46,07,958
Weighted average number of diluted equity shares (D=B+C)	2,86,57,83,321	2,86,23,86,454
Diluted EPS (A/D)	**0.70**	**0.23**

Note 43 Leases

The Company as lessee

The Company and its subsidiaries have lease contracts for premises and furniture obtained for offices, stores and warehouse etc. Leases of premises and furniture generally have lease terms between 1.5 to 10 years.

The Company and its subsidiaries obligations under its leases are secured by the lessor's title to the leased assets.

The Company and its subsidiaries have several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Refer note 7 for carrying value of right of use assets.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	**359.23**	**289.08**
Addition	348.77	235.34
Addition on account of acquisition of subsidiary (refer note 53 (B))	-	5.47
Accretion of interest	42.68	33.18
Deletion due to closure	(44.51)	(24.17)
Forex	0.51	-
Payments	(216.08)	(179.67)
Closing balance	**490.60**	**359.23**
Current	193.75	147.68
Non-current	296.85	211.55

The maturity analysis of lease liabilities is disclosed in note 47.

The effective interest rate for lease liabilities as at March 31, 2026 ranges between 9.36%-11.50% (March 31, 2025: 9.40%-11.50%)

The following are the amounts recognised in Statement of Profit and Loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation expenses of right of use assets	189.07	151.64
Interest expenses on lease liabilities	42.68	33.18
Expenses relating to short term leases*	58.73	42.57
Total amount recognised in Statement of Profit and Loss	**290.48**	**227.39**

**Includes common area maintenance charges.*

Note 44 Defined benefit plan and other long term employee benefit plan:

I) **Defined contribution plan**

During the year, the Group has made contribution/provision to provident fund stated under defined contribution plan amounting to ₹ 15.04 crore (March 31, 2025 : ₹ 17.15 crore) and the same has been recognised as an expense in the Statement of Profit and Loss.

II) **Defined benefit plans**

The Group operates a defined benefit gratuity plan for its employees (including contractual employees). The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving.

The Group has provided for gratuity based on actuarial valuation done as per projected unit credit method.

A. **The following tables set out the funded status of the gratuity plans and the amounts recognised in the Group's financial statements as at March 31, 2026 and March 31, 2025:**

Particulars	As at March 31, 2026	As at March 31, 2025
Amount to be recognised in balance sheet		
Present value of defined benefit obligation	39.24	21.89
Less: Fair value of plan assets	-	-
Funded status – deficit / (surplus)	39.24	21.89
Net liability recognised in balance sheet	**39.24**	**21.89**
Current	13.74	3.71
Non-current	25.50	18.18

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

i) Changes in the present value of defined benefit obligation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reconciliation of defined benefit obligation		
Opening defined benefit obligation	21.89	13.49
Addition on acquisition of subsidiary {refer note 53 (B)}	-	0.29
Current service cost	8.50	3.46
Past service cost	13.33	-
Interest cost	1.41	0.85
Actuarial loss in obligation for year ended due to changes in financial assumptions	0.37	0.61
Actuarial loss / (gain) in obligation for year ended due to changes in demographic assumptions	(1.05)	1.83
Actuarial loss / (gain) in obligation for year ended due to changes in experience adjustments	(1.28)	3.57
Benefit paid	(3.93)	(2.21)
Closing defined benefit obligations	**39.24**	**21.89**

ii) iii. Amount for the year ended March 31, 2026 and March 31, 2025 recognised in the Statement of Profit and Loss under employee benefit expenses, outsource warehouse manpower expense, exceptional item and other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	8.50	3.46
Past service cost	13.33	-
Interest expenses	1.41	0.85
Amount recognised in Statement of Profit and Loss	**23.24**	**4.31**
Actuarial loss / (gain) in obligation for year ended due to changes in demographic / financial assumptions	(0.68)	2.44
Actuarial loss / (gain) in obligation for year ended due to changes in experience adjustments	(1.28)	3.57
Amount recognised in Other Comprehensive Income (OCI)	**(1.96)**	**6.01**

B The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Mortality table	IALM (2012-14)	IALM (2012-14)
Discount rate	6.65%	6.65%
Future salary increases	5.00% - 7.00%	7.00%
Withdrawal rates	26.57% - 38.67% for onroll employees and 63% for contractual employees	22% - 30% across all levels
IALM - Indian Assured Lives Mortality (Ultimate)	IALM (2012-14)	IALM (2012-14)

The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated terms of the obligations.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

C The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	13.71	3.71
Between 2 and 5 years	23.69	14.46
Between 6 and 9 years	6.75	6.71
10 & Above following years	3.05	4.27
Total expected payments	**47.20**	**29.15**

The average duration of defined benefit plan obligation at the end of the reporting period is 3.93 years and 1.45 years for onroll and contractual employees respectively (March 31,2025: 4.12 years for onroll employees).

D Sensitivity analysis

The sensitivity analysis of significant actuarial assumption as of end of reporting period is shown below:

Particulars	Pre-tax impact (decrease) / increase in liability	
	As at March 31, 2026	As at March 31, 2025
Discount rate (-/+ 1%)		
Decrease by 100 basis points	2.26	1.56
Increase by 100 basis points	(2.14)	(1.46)
Future salary increase (-/+ 1%)		
Decrease by 100 basis points	(2.04)	(1.39)
Increase by 100 basis points	2.11	1.46

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period and assuming there are no other changes in the market conditions. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

These plans typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

(A) Interest risk - A decrease in the discount rate will increase the plan liability.

(B) Longevity risk – The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(C) Salary risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 45 Related party transactions

A. Names of the related parties

Relationship	Name of entity
Directors and Key Management Personnel (KMP)	Mrs. Falguni Nayar -- Executive Chairperson, CEO and Managing Director
	Mrs. Adwaita Nayar -- Executive Director
	Mr. Anchit Nayar -- Executive Director
	Mr. Sanjay Nayar -- Director
	Mr. Milan Khakhar -- Director
	Ms. Anita Ramachandran -- Independent Director
	Mr. Pradeep Parameswaran -- Independent Director
	Mr. Milind Sarwate -- Independent Director
	Mr. Seshashayee Sridhara -- Independent Director
	Mr. Santosh Desai -- Independent Director
	Mr. P Ganesh -- Chief Financial Officer
	Mr. Neelabja Chakrabarty -- Company Secretary from February 8, 2024 till September 30, 2025
	Mr. Chetan Sharma -- Company Secretary and Compliance Officer w.e.f November 26, 2025
	Mr. Dipak Gupta -- Independent Director w.e.f October 01, 2025
Associate	Earth Rhythm Private Limited till November 25, 2024
Relative of Key Management Personnel (KMP)*	Mrs. Rashmi Mehta - Relative of Managing Director
Company in which key management personnel have significant influence *	Sealink View Probuild Private Limited Golfland Developers Private Limited Cerebus Consultants Private Limited

** Name of the related parties where the transactions have occurred.*

B. Transactions with Related party

Particulars	Nature of transactions	Transactions during FY 2025-26	Balance as at March 31, 2026	Transactions during FY 2024-25	Balance as at March 31, 2025
Directors and Key Management Personnel (KMP)					
Mrs. Falguni Nayar	Remuneration & reimbursements	16.49	(6.60)	11.16	(2.54)
Mrs. Adwaita Nayar	Remuneration & reimbursements	7.84	(1.65)	5.81	(0.63)
Mr. Anchit Nayar	Remuneration & reimbursements	7.84	(1.65)	5.81	(0.63)
Mr. Sanjay Nayar	Remuneration & reimbursements	1.03	-	0.92	-
Mr. Milan Khakhar	Sitting Fees	0.07	-	0.07	-
Ms.Anita Ramachandran	Sitting Fees	0.09	-	0.09	-
	Commission	0.36	-0.36	0.25	(0.25)
Ms. Alpana Parida Shah	Sitting Fees	-	-	0.01	-
Mr. Pradeep Parameshwaran	Sitting Fees	0.03	-	0.06	-
	Commission	0.35	-0.35	0.15	(0.15)
Mr. Milind Sarwate	Sitting Fees	0.08	-	0.08	-
	Commission	0.42	-0.42	0.35	(0.35)
Mr. Seshashayee Sridhara	Sitting Fees	0.04	-	0.07	-
	Commission	0.38	-0.38	0.15	(0.15)
Mr. Santosh Desai	Sitting Fees	0.06	-	0.05	-

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Nature of transactions	Transactions during FY 2025-26	Balance as at March 31, 2026	Transactions during FY 2024-25	Balance as at March 31, 2025
	Commission	0.31	-0.31	0.20	(0.20)
Mr. P Ganesh	Remuneration & reimbursements	5.12	-	4.50	-
Mr. Chetan Sharma	Remuneration & reimbursements	0.35	-	-	-
Mr. Neelabja Chakrabarty	Remuneration & reimbursements	1.00	-	1.25	-
Associate					
Earth Rhythm Private Limited	Purchases	-	-	6.99	-
	Marketing Income	-	-	(0.95)	-
	Discount Income	-	-	(3.18)	-
Relative of Key Management Personnel (KMP)					
Mrs. Rashmi Mehta	Rent and maintenance expenses	0.35	-	0.34	-
	Security deposit	-	0.05	-	0.05
Company in which key management personnel have significant influence					
Sealink View Probuild Private Limited	Rent, maintenance, electricity & other expenses	4.71	-	4.34	-
	Security deposit	-	0.86	-	0.86
Golf land Developers Private Limited	Rent and maintenance expenses	3.09	-	2.92	-
	Security deposit	-	1.06	-	1.06
Cerebus Consultants Private Limited	Human resource Service Cost	-	-	0.02	-

Figures in brackets indicates payables and income

Terms and conditions of transactions with related parties

1) The sales to and purchases from related parties are made on terms. equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

2) Amount paid to KMP do not include the provisions made for gratuity as it is determined on an actuarial basis for the Group as a whole. Similarly, expenses for compensated absences are not included in the above table as the same is also determined on an actuarial basis for the Group as a whole.

Note 46 Fair value of financial assets and financial liabilities

Below, is a comparison by class of the carrying amounts of the Group's financial instruments that are reasonable approximations of fair values.

Particulars	Level	Carrying value as of	
		March 31, 2026	March 31, 2025
Financial assets:			
Amortised cost			
Trade receivables		289.38	246.61
Cash and cash equivalents		177.20	124.94
Bank balance other than cash and cash equivalents		142.83	92.21
Other financial assets		378.81	366.80
FVTPL			
Derivative Financial Assets[1]	2	1.96	1.18
		990.18	**831.74**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	Level	Carrying value as of	
		March 31, 2026	March 31, 2025
Financial liabilities:			
Amortised cost			
Borrowings		747.21	961.36
Lease liabilities		490.60	359.23
Other financial liabilities		679.42	574.01
Trade payables		732.50	634.83
FVTPL			
Derivative Financial Liabilities [1]	2	269.54	0.48
Derivative Financial Liabilities [1]	3	-	135.88
		2,919.27	**2,665.79**

[1] Included in other non-current/current financial assets and liabilities.

The carrying values of the financial assets and liabilities measured at amortised cost are reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and liabilities have not been disclosed separately.

Valuation methodology

The fair value of derivative financial liability has been derived basis the financial statements of March 31, 2026 as per the agreement entered with the contracting party and thus no sensitivity analysis is presented in the financial statements.

Note 47 Financial Risk Management Objectives and Policies:

The Group principal financial liabilities comprise borrowings from banks, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets comprise cash and bank balance, trade and other receivables that derive directly from its operations. The Group's is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Group's senior management team oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

A) Market risk

Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises currency risk, product price risk and interest risk.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2026 and March 31, 2025.

a) Interest rate risk

The Group is exposed to interest rate risk primarily due to borrowings having floating interest rates. The Group uses available working capital limits for availing short-term working capital demand loans with interest rates negotiated from time to time so that the Group has an effective mix of fixed and variable rate borrowings. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase / decrease in basis points	Effect on profit before tax
March 31, 2026	+50	(3.42)
	-50	3.42
March 31, 2025	+50	(4.18)
	-50	4.18

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities denominated in foreign currency and thus the risk of changes in foreign exchange rates relates primarily to trade payables and advances paid to vendors. The Group's foreign currency risks are identified, measured and managed at periodic intervals in accordance with the Group's policies. When a derivative is entered into for the purpose of hedging any foreign currency exposure, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure.

The year end foreign currency forward contracts and unhedged foreign currency exposures are given below:

(a) Derivatives (forward contracts) outstanding as at the reporting date (in respective currency):

Particulars of transactions	Currency	As at March 31, 2026		As at March 31, 2025	
		Foreign currency	₹ #	Foreign currency	₹ #
Forward contracts to Purchases – Trade Payable	Euro	0.05	5.18	0.03	2.57
Forward contracts to Purchases – Trade Payable	GBP	0.00*	0.06	0.00	0.01
Forward contracts to Purchases – Trade Payable	USD	0.35	33.35	0.37	31.79

#Amount in ₹ represents conversion at hedged rate.

(b) Particulars of unhedged foreign currency exposure as at the reporting date (in respective currency):

Particulars	Currency	As at March 31, 2026		As at March 31, 2025	
		Foreign currency	₹	Foreign currency	₹
Payables:					
Trade payables	USD	0.10	9.47	0.08	7.29
	Euro	0.00*	0.00*	0.00*	0.18
	GBP	-	-	0.00*	0.41
	THB	0.06	0.18	-	-
Advances:					
Advance to vendors against purchases / expenses	USD	-	-	0.03	2.16
	Euro	0.00*	0.01	0.00*	0.00
	GBP	0.00*	0.34	0.00*	0.01
Receivables:					
Trade Receivables	USD	-	-	0.04	3.04
	AED	-	-	0.00*	0.06

Since the business of the Group does not involve material foreign currency transactions, its exposure to foreign currency changes is not material.

*Less than ₹ 0.01 crore

c) Product price risk

In an inflationary economy, the Group expects periodical price increases across its product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/ sales volumes. In such a scenario, the risk is managed by offering judicious product discounts to customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the customers. This helps the Group to protect itself from significant product margin losses. This mechanism also works in case of a downturn in the retail sector, although overall volumes would get affected.

B) Credit risk

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

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

a) Trade receivables and security deposit

The Company has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Company by credit worthiness checks. The Company's experience of delinquencies and customer disputes have been minimal. Also the Company has a simplified approach to determine impairment loss allowance on the portfolio of trade receivables. This is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. Accordingly, the credit risk is covered by the company. (Refer accounting policy 3(II)(i) for expected credit loss on trade receivable). The Company also carries credit risk on lease deposits with landlords for properties taken on leases, for which agreements are signed and property possessions are taken for operations. The risk relating to refunds after vacating the premises is managed through successful negotiations or appropriate legal actions, where necessary. Trade receivables are non- interest bearing and are generally on payment terms of 0-90 days.

Movement in allowances for expected credit losses:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	15.05	18.28
Provision reversed during the year	(2.51)	(6.75)
Bad Debts written off during the year	7.77	3.52
Closing balance	**20.31**	**15.05**

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

C) Liquidity risk

Liquidity risk is a risk that the Group may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks. Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Carrying value	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2026					
Borrowings	747.21	729.13	18.33	-	747.46
Trade payables	732.50	732.50	-	-	732.50
Other financial liabilities	948.96	947.30	1.66	-	948.96
Lease liabilities	490.60	231.97	391.62	55.18	678.77
Total	**2,919.27**	**2,640.90**	**411.61**	**55.18**	**3,107.69**
As at March 31, 2025					
Borrowings	961.36	851.42	110.30	-	961.72
Trade payables	634.83	634.83	-	-	634.83
Other financial liabilities	574.49	438.61	152.92	-	591.53
Lease liabilities	359.23	161.12	231.22	14.18	406.52
Total	**2,529.91**	**2,085.98**	**494.44**	**14.18**	**2,594.60**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 48 Commitments and contingent liabilities

A Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) – ₹ 41.73 crore as at March 31, 2026 (March 31, 2025 – ₹ 32.26 crore)

B Contingent liabilities (not provided for)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Claims against the Group, not acknowledged as debts		
Disputed Indirect tax matters (including interest up to the date of demand, if any) (refer note (i) to (v) below)	4.62	6.02
Disputed Direct tax matters (including interest up to the date of demand, if any) (refer note (vi) to (vii) below)	8.76	7.44
ii) Litigations pertaining to consumer cases	0.20	0.10
Total	**13.58**	**13.56**

Notes:

Following are the matters for which the management believes that the position taken by it is tenable and hence, no adjustment has been made to the financial statements :

i) The Group had received VAT assessments order for financial years 2016-17 with demands amounting to ₹ 1.15 crore on account of certain input disallowances/adjustment made by VAT department. Out of the total demand amount, the Group has paid ₹ 0.54 crore to tax authorities during the financial year 2021-2022 and for the balance ₹ 0.61 crore.

ii) The Group has received order from the adjudicating authority for the period of FY 2018-19, on availing ITC on purchases from suppliers whose registration certificates were cancelled demanding ₹ 0.10 crore including applicable interest and penalty.

iii) The Company has received order from the adjudicating authority for the period of FY 2020-21, imposing tax on commission on financial guarantee amounting to ₹ 2.23 crore including applicable interest and penalty.

iv) The GST adjudicating authority has passed an order for FY 2018-19 & FY 19-20 with demand amounting to ₹ 1.03 crore including penalty on account of short payment of GST liability and wrong availment of ITC as per Tran-1.

v) The GST adjudicating authority has passed an order for FY 2019-20 to FY 2024-25, demanding tax on account of misclassification of goods under incorrect HSN category to the tune of ₹ 0.65 crore plus applicable interest and penalty.

vi) The Group had received an income tax assessment order for the FY 2017-18 pertaining to Nykaa E-Retail Limited in respect of a demand of ₹ 7.44 crore on account of certain disallowances made by the tax authorities. The Group had filed an appeal before the CIT(A) contesting the said disallowances and has obtained a stay order w.r.t the outstanding demand.

vii) The Group has received income tax assessment order for AY 2024-25, wherein the benefit of taxation under section 115BAA of the income tax act, 1961, claimed by the Group has not been allowed and tax has been computed under the normal provisions of the Act.

Note 49 Segment Information:

The Group has identified and reported 'Business Segments' as its primary segment, in accordance with Ind AS 108 'Operating Segments'. The Group's Chief Operating Decision Maker (CODM) reviews the Group's performance and allocates resources based on following:-

i) Beauty segment which comprises of online beauty platform, beauty owned brands, physical retail stores, eB2B distribution business and Nykaa Man BPC business.

ii) Fashion segment which comprises of Nykaa Fashion, Fashion retail, fashion owned brands, LBB (content platform) and Nykaa Man lifestyle business.

iii) Others which comprises the Group's International beauty business.

The Group has identified Board of Directors and CEO as Chief Operating Decision Maker ('CODM') who reviews and allocates resources based on abovementioned "Business Segments".

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

A) Consolidated Segment wise Revenue, Results and Capital Employed:

As at and for the year ended March 31, 2026

Sr. No.	Particulars	Beauty	Fashion	Others	Unallocable	Total
I	**Segment Revenue**	9,139.49	832.16	50.70	-	10,022.35
II	**Other Income**	19.35	1.33	1.04	-	21.72
III	**Segment Expenses**					
	Cost of material consumed / cost of goods sold1	5,338.26	140.31	27.96	-	5,506.53
	Employee benefit expenses and other expenses	2,982.28	729.28	51.95	-	3,763.51
	Depreciation and amortisation	268.82	36.89	14.62	-	320.33
	Finance cost	40.24	2.30	1.01	-	43.55
IV	**Segment Results before exceptional item and tax (I+II-III)**	**529.24**	**(75.29)**	**(43.80)**	**-**	**410.15**
	Less: Finance costs	-	-	-	73.57	73.57
	Add: Other Income	-	-	-	11.05	11.05
V	**Profit before exceptional item and tax**	**529.24**	**(75.29)**	**(43.80)**	**(62.52)**	**347.63**
	Less: Tax expense	-	-	-	126.29	126.29
	Add: Share in loss of associate	-	-	-	-	-
VI	**Profit for the year before exceptional item**	**529.24**	**(75.29)**	**(43.80)**	**(188.81)**	**221.34**
VII	**Segment Results before tax and after exceptional item**	**504.05**	**(67.45)**	**(43.85)**	**-**	**392.75**
	Less: Finance costs	-	-	-	73.57	73.57
	Add: Other Income	-	-	-	11.05	11.05
VIII	**Profit before tax**	**504.05**	**(67.45)**	**(43.85)**	**(62.52)**	**330.23**
	Less: Tax expense	-	-	-	126.29	126.29
	Add: Share in loss of associate	-	-	-	-	-
IX	**Profit for the year**	**504.05**	**(67.45)**	**(43.85)**	**(188.81)**	**203.94**
X	**Non-Cash items other than depreciation and amortisation**	41.57	2.82	(0.61)	-	43.78
XI	**Capital Employed (Segment Assets-Segment Liabilities)**					
	Segment Assets	3,624.36	305.00	108.35	573.67	4,611.38
	Segment Liabilities	2,062.61	206.06	74.82	765.79	3,109.28
	Total Capital Employed	**1,561.75**	**98.94**	**33.53**	**(192.12)**	**1,502.10**
XII	**Capital Expenditure**					
	Segment capital expenditure[2]	105.08	13.55	27.06	-	145.69
	Addition to ROU	292.36	43.74	27.73	-	363.83
	Total Capital Expenditure	**397.44**	**57.29**	**54.79**	**-**	**509.52**

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

As at and for the year ended March 31, 2025

Sr. No.	Particulars	Beauty	Fashion	Others	Unallocable	Total
I	**Segment Revenue**	7,251.17	674.69	23.96	-	7,949.82
II	**Other Income**	23.73	1.22	0.90	-	25.85
III	**Segment Expenses**					
	Cost of material consumed / cost of goods sold1	4,338.91	122.89	10.86	-	4,472.66
	Employee benefit expenses and other expenses	2,319.15	645.20	38.90	-	3,003.25
	Depreciation and amortisation	231.90	30.50	4.00	-	266.40
	Finance cost	31.40	1.86	0.19	-	33.45
IV	**Segment Results (I+II-III)**	**353.54**	**(124.54)**	**(29.09)**	**-**	**199.91**
	Less: Finance costs	-	-	-	73.87	73.87
	Add: Other Income	-	-	-	1.41	1.41
V	**Profit before tax**	**353.54**	**(124.54)**	**(29.09)**	**(72.46)**	**127.45**
	Less: Tax expense	-	-	-	53.75	53.75
	Add: Share in loss of associate	(1.63)	-	-	-	(1.63)
VI	**Profit for the year**	**351.91**	**(124.54)**	**(29.09)**	**(126.21)**	**72.07**
VII	**Non-Cash items other than depreciation and amortisation**	10.22	9.62	(0.94)	-	18.90
VIII	**Capital Employed (Segment Assets-Segment Liabilities)**					
	Segment Assets	3,146.52	319.44	54.80	458.77	3,979.53
	Segment Liabilities	1,439.04	185.45	37.14	975.24	2,636.87
	Total Capital Employed	**1,707.48**	**133.99**	**17.66**	**(516.47)**	**1,342.66**
IX	**Capital Expenditure**					
	Segment capital expenditure[2]	133.53	6.11	16.30	-	155.94
	Addition to ROU	218.55	13.52	4.01	-	236.08
	Total Capital Expenditure	**352.08**	**19.63**	**20.31**	**-**	**392.02**

[1]Cost of goods sold includes purchase of traded goods (netted off with changes in inventories of finished goods and stock-in-trade).

[2]Comprises of capital expenditure on property, plant and equipement, capital work-in-progress, intangible assets including those under development (excluding additions on account of business combinations (refer note 53B)).

B) The information based on geographical areas in relation to revenue and non-current assets are as follows:

(I) Revenue from operations

Revenue from geographical market	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	9,967.24	7,926.27
Outside India	55.11	23.55
Total	**10,022.35**	**7,949.82**

(II) Non-current operating assets

₹ 41.18 crore (31 March 2025: ₹ 19.83 crore) non-current operating assets are located outside India. All other non-current operating assets are located in India.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

(c) The Group does not have revenue from transactions with a single external customer amounting to 10% or more of the total revenue.

Note 50 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the owners of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt includes interest bearing borrowings less cash and cash equivalents.

Particulars	As at March 31, 2026	As at March 31, 2025
Gross debt	747.21	961.36
Less: cash and cash equivalents	(177.20)	(124.94)
Net debt (A)	**570.01**	**836.42**
Equity	1,437.98	1,301.28
Total equity (B)	**1,437.98**	**1,301.28**
Net gearing ratio* (A)/(B)	**0.40**	**0.64**

**No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.*

Note 51 Share based payments

Disclosure under Ind AS 102:

(A) Employee stock options- equity settled

The Company has granted stock options under the employee stock option scheme- ESOS 2012, ESOS 2017, ESOP 2022 and RSU respectively, as approved by the Board of Directors of the Company, to the eligible employees of the Company or its subsidiaries. These options would mostly vest in 3, 4 or 5 equal annual instalments from the date of grant based on the vesting conditions as per letter of grant executed between the Company and the employee of the Company or its subsidiaries. The maximum period for exercise of options is 4 years from the date of vesting. Each option when exercised would be converted into one fully paid-up equity share of ₹ 1 each of the Company. The options granted under ESOS 2012, ESOS 2017, ESOP 2022 and RSU scheme carry no rights to dividends and no voting rights till the date of exercise.

The fair value of the share options is estimated at grant date using Black-Scholes Model, taking into account the terms and conditions upon which the share options were granted.

The Group has recognised an expense of ₹ 16.71 crore (March 31, 2025: ₹ 16.90 crore) arising from equity settled share based payment transactions for employee services received during the year. The carrying amount of employee stock options outstanding reserve as at March 31, 2026 is ₹ 36.21 crore (March 31, 2025: ₹ 37.07 crore).

As at the end of the given period, details and movements of the outstanding options are as follows:

Options granted under ESOS 2012

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	6,10,500	7,09,500
Options forfeited during the year	-	(66,000)
Options expired/lapsed during the year	-	(29,250)
Options exercised during the year	(1,28,500)	(3,750)
Options outstanding at the end of the year	**4,82,000**	**6,10,500**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	₹ 99 - 187.50	₹ 99 - 187.50
Weighted average remaining contractual life (in years)	2.68	3.42

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Options granted under ESOS 2017

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	1,25,68,783	1,41,50,913
Options granted during the year	13,99,000	38,75,000
Options forfeited during the year	(16,96,625)	(23,43,130)
Options expired/lapsed during the year	(2,19,795)	(1,29,800)
Options exercised during the year	(35,07,473)	(29,84,200)
Options outstanding at the end of the year	**85,43,890**	**1,25,68,783**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	₹ 21.46 - 252.85	₹ 19.61 - 226.33
Weighted average remaining contractual life (in years)	4.43	4.63

Options granted under ESOS 2022

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	6,63,900	11,20,400
Options granted during the year	21,13,500	-
Options forfeited during the year	(3,90,000)	(3,13,500)
Options expired/lapsed during the year	(15,000)	-
Options exercised during the year	(1,30,000)	(1,43,000)
Options outstanding at the end of the year	**22,42,400**	**6,63,900**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	₹131.05 - 216.84	₹131.05 - 133.35
Weighted average remaining contractual life (in years)	5.23	4.61

Options granted under RSU

Particulars	March 31, 2026**	March 31, 2025**
Options outstanding at the beginning of the year	4,20,000	6,00,000
Options granted during the year	45,000	-
Options forfeited during the year	-	(80,000)
Options exercised during the year	(2,23,000)	(1,00,000)
Options outstanding at the end of the year	**2,42,000**	**4,20,000**
For options outstanding at the end of the year:		
Exercise price range (in ₹)	₹ 1	₹ 1
Weighted average remaining contractual life (in years)	4.44	4.76

(B) Fair value of options granted

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	ESOS 2017			
	Tranche I	Tranche II	Tranche III	Tranche IV
Dividend yield (%)	Nil	Nil	Nil	Nil
Expected life (years)	1.99-2.02	2.79-2.82	3.49-3.56	4.14-4.16
Risk free interest rate (%)	5.69% to 5.91%	5.82% to 5.97%	5.92% to 6.10%	6.00% to 6.2%
Volatility (%)	30%	30% - 35%	35%-40%	35%-40%
Market price on date of grant	194.46-280.14			
Fair Value	44.43-75.99	59.26-89.03	72.66-107.60	79.46-116.20

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Particulars	ESOS 2022			
	Tranche I	Tranche II	Tranche III	Tranche IV
Dividend yield (%)	Nil	Nil	Nil	Nil
Expected life (years)	1.58-1.61	2.03-2.06	3.00	4.00
Risk free interest rate (%)	5.79% to 5.91%	5.92% to 5.94%	5.97% to 6.03%	6.00% to 6.12%
Volatility (%)	30.00%	35.00%	35%-40%	40.00%
Market price on date of grant	194.46-233.84			
Fair Value	44.43-59.43	59.26-76.85	72.66-86.2	79.46-100.92

Particulars	RSU			
	Tranche I	Tranche II	Tranche III	Tranche IV
Dividend yield (%)	Nil	Nil	Nil	Nil
Expected life (years)	1.07	2.00	3.00	4.00
Risk free interest rate (%)	5.79%	5.92%	6.03%	6.12%
Volatility (%)	30.00%	35.00%	35.00%	40.00%
Market price on date of grant	233.85			
Fair Value	232.95	232.99	233.03	233.06

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The volatility is based on annualised standard deviation of the continuously compounded rates of return based on the peer companies and competitive stocks over a period of time. The Company has determined the market price on grant date based on the average of last 15 days closing price of shares on NSE index, as on the grant date.

The weighted average share price at the date of exercise of options exercised during the year was ₹ 229.73 (March 31, 2025 ₹ 181.95)

(C) Expenses arising from share-based payment transactions

The total expenses arising from share-based payment transactions recognised were as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stock based compensation expense determined under fair value method recognised in Statement of Profit or Loss	16.71	16.90

Note 52 Audit Trail

1. During the year, the Group migrated from its existing ERP system ("legacy accounting software") to new ERP system ("new accounting software") with effect from January 01, 2026.

    a. In respect of the legacy accounting software, the audit trail facility was enabled for relevant transactions recorded in the software, except that the audit trail feature is not enabled at the database level, and certain users have access to make direct changes which are not logged at the application layer.

    b. In respect of new accounting software implemented from January 01, 2026:

        i. the audit trail facility was enabled at the application layer for relevant transactions recorded in the software; however, certain users have access to make direct changes which are not logged.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

ii. for database layer, the Group has obtained the Service Organisation Controls ('SOC') report covering the period up to December 31, 2025, along with a bridge letter for the balance period during the year. However, this SOC report, issued by ERP service provider to all its users, does not explicitly mention if the audit trail controls were enabled or not at the database layer.

2. Further, the Group uses certain other peripheral applications that support the recording of Revenue, Inventory and Procurement (hereinafter referred to as 'supporting softwares'), wherein –

   a. in the case of one application related to procurement (which was implemented w.e.f. January 01, 2026), the audit trail (edit log) facility was not enabled throughout the period.

   b. in case of other applications, the audit trail (edit log) facility:

      i) was enabled at database layer from October 01, 2025/ for all relevant transactions recorded in the softwares; and

      ii) was not enabled accurately for certain applications at the application layer,

3. Also, the Group used a third-party operated software for:

   a. processing payroll and procurement - Management obtained the report of Service Organisation Controls (SOC) auditors engaged by such third party for the year which mention that the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

   b. consumption of raw materials (upto December 31, 2025) - Management is not in possession of SOC report to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instance of the audit trail features being tampered with.

      Additionally, the Group has preserved the audit trail records in accordance with the statutory requirements for record retention, to the extent such audit trail was available in the respective systems.

Note 53 Business Combination

A) Acquisition of Dot & Key Wellness Limited (Formerly known as Dot & Key Wellness Private Limited) {'Dot & Key'}

On September 28, 2021, the Group had acquired 51% of the issued share capital of Dot & Key Wellness Limited (Formerly known as Dot & Key Wellness Private Limited) {'Dot & Key'}, first D2C (direct to consumer) beauty brand acquired by Nykaa, allowing the Group to expand its skincare, personal care and nutraceuticals owned portfolio. Pursuant to the shareholder's agreement (as amended), the Group had written put option on the balance 49% of the equity share capital. The put option liability, the value of which was linked to Dot & Key's future performance, was recognised on acquisition. During the year, the Company acquired 0.02% stake and accordingly the put option liability, to the extent of 0.02%, was settled and remaining amount will be settled on acquisition of balance stake in Dot & Key. Put option liability increased from ₹ 135.88 crore to ₹ 271.11 crore primarily on account of fair valuation as at March 31, 2026.

B) Acquisition of Earth Rhythm Private Limited ('Earth Rhythm')

On November 26, 2024 the Group had acquired additional stake of Earth Rhythm Private Limited ('Earth Rhythm'), which is a homegrown brand that offers smart and safe skincare backed by cited scientific research. The Group held 74.63% equity interest (including Optionally Convertible redeemable preference shares) in Earth Rhythm post such investment. Pursuant to the share purchase agreement and share subscription and shareholders agreement, the Group has call option on the balance stake and accordingly has recorded Call option assets of ₹ 1.18 crore (refer note 10). The Group has concluded that it does not have present ownership interest over the balance stake and accordingly has presented the share of non-controlling interest separately in the consolidated financial statements. This transaction was accounted as per Ind AS 103 'Business Combination'.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	Carrying value as per books	PPA fair value adjustments	Fair value of assets taken over
(A) Assets acquired			
(a) Property, plant and equipment	2.49	-	2.49
(b) Right of use assets	4.96	-	4.96
(c) Intangible assets			
Trademark	-	28.44	28.44
Others	0.30	-	0.30
(d) Intangible assets under development	0.11	-	0.11
(e) Current tax assets (net)	0.04	-	0.04
(f) Inventories	8.49	-	8.49
(g) Trade receivables	3.82	-	3.82
(h) Cash and cash equivalents	10.48	-	10.48
(i) Other financial assets	0.36	-	0.36
(j) Other current assets	7.12	-	7.12
Total Assets acquired (A)	**38.16**	**28.44**	**66.59**
(B) Liabilities assumed			
(a) Lease liabilities	5.47	-	5.47
(b) Borrowings	4.54	-	4.54
(c) Trade payables	3.23	-	3.23
(d) Other current liabilities	0.13	-	0.13
(e) Provisions	0.29	-	0.29
(f) Other current financial liabilities	2.32	-	2.32
Total Liabilities assumed (B)	**15.99**	**-**	**15.99**
Net identifiable assets acquired (A-B)	**22.17**	**28.44**	**50.60**
Non- controlling interests measured at proportionate share of the fair value of the acquiree's identifiable net assets			16.52
Goodwill arising on acquisition			36.43

The fair value of trade and other receivables amounted to ₹ 3.82 crore. The gross contractual amount receivable from trade and other receivables was ₹ 3.82 crore. None of the trade and other receivables were credit impaired and it is expected that the full contractual amounts will be collected. Further, no contingent liability has been transferred to the Group.

Calculation of goodwill

Particulars	Amount
Purchase consideration	38.32
Add: Fair value of investment in equity accounted investee on the date of acquisition of control	32.19
Add: NCI share in FV of assets	16.52
Less: Net identifiable assets acquired	(50.60)
Goodwill	**36.43**

The goodwill on acquisition is attributable to skilled employees, expected synergies from acquisition and other intangible assets of the Company that cannot be identified separately. The amount of goodwill is not expected to be deductible for tax purposes.

Non-controlling interest in Earth Rhythm, based on proportionate share in the recognised amounts of the acquiree's identifiable net assets.

The acquired business contributed ₹ 8.59 crore and ₹ 3.18 crore towards revenue from operations and loss after tax for the Group for the period November 26, 2024 to March 31, 2025.

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Purchase consideration -- Cash outflow

Particulars	Amount
Cash consideration	38.32
Less: Cash and cash equivalent acquired	(10.48)
Net cashflow on acquisition	**27.84**

Calculation of Gain on acquisition of control in equity accounted investee (i.e. ERPL)

The remeasurement to fair value of the Group's existing 18.51 percent share has resulted in a gain of ₹ Nil.

Particulars	Amount
Fair value of investment in equity accounted investee on the date of acquisition of control	32.19
Carrying value of investment on the date of acquisition of control	32.19
Gain on acquisition of control in equity accounted investee	**0.00**

C) During the year the Company has acquired the remaining stake of 40% in Nudge Wellness Private Limited for a consideration of ₹ 0.14 crore.

D) Impairment testing of Goodwill:

For impairment testing, goodwill acquired through business combinations pertains to the subsidiaries i.e. Dot & Key Wellness Limited (Formerly known as Dot & Key Wellness Private Limited) {'Dot & Key'}, Iluminar Media Limited (Formerly Iluminar Media Private Limited) {'Iluminar'} (merged with Nykaa Fashion Limited in current year) and Earth Rhythm Private Limited (ERPL).

Carrying amount of goodwill allocated to each of the CGUs:

Particulars	ERPL		Dot & Key		Iluminar	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Goodwill	36.43	36.43	46.97	46.97	13.52	13.52
	36.43	**36.43**	**46.97**	**46.97**	**13.52**	**13.52**

The Group performed its annual impairment test for years ended March 31, 2026 and March 31, 2025 at year end, respectively.

Dot & Key CGU:

The recoverable amount of the Dot & Key has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at March 31, 2026, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 15.60%. The cash flows beyond 5 years have been extrapolated assuming 5.00% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Iluminar CGU:

The recoverable amount of the Iluminar has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions. As at March 31, 2026, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 21.50%. The cash flows beyond 5 years have been extrapolated assuming 5.00% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Earth Rhythm Private Limited CGU:

The recoverable amount of the Earth Rhythm has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions.

As at March 31, 2026, the estimated cash flows for a period of 5 years were developed using internal forecasts, and a pre-tax discount rate of 19.40%. The cash flows beyond 5 years have been extrapolated assuming 5.00% growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Note 54 Additional information required by Schedule III of the Companies Act 2013.

Particulars	% of shareholding as at March 31, 2026	Principal place of operation / country of incorporation	As at 31 March 2026							
			Net Assets ('N A'), i.e. total assets minus total liabilities		Share in profit and loss ('P&L')		Share in other comprehensive income ('OCI')		Share in total comprehensive income ('TCI')	
			Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income
Parent:										
FSN E-Commerce Ventures Limited	100%	India	1,802.85	120.02%	87.85	43.08%	0.06	1.15%	87.91	42.03%
Subsidiary:										
Nykaa E-retail Limited	100%	India	659.28	43.89%	119.25	58.47%	0.40	7.69%	119.65	57.21%
FSN Brands Marketing Private Limited	100%	India	39.91	2.66%	6.68	3.28%	0.39	7.50%	7.07	3.38%
Nykaa Fashion Limited	100%	India	(128.55)	(8.56%)	(57.11)	(28.00%)	0.43	8.27%	(56.68)	(27.10%)
Nykaa KK Beauty Private Limited	51%	India	57.76	3.85%	21.80	10.69%	0.04	0.77%	21.84	10.44%
FSN International Limited	100%	India	38.29	2.55%	(0.26)	(0.13%)	(0.02)	(0.38%)	(0.28)	(0.13%)
FSN Distribution Limited	100%	India	12.75	0.85%	2.81	1.38%	0.34	6.54%	3.15	1.51%
Dot & Key Wellness Limited	90.06%	India	267.63	17.82%	148.69	72.91%	(0.10)	(1.92%)	148.59	71.05%
Nykaa Foundation	100%	India	0.01	0.00%	-	0.00%	-	0.00%	-	0.00%
Nudge Wellness Private Limited	100%	India	2.82	0.19%	(0.25)	(0.12%)	-	0.00%	(0.25)	(0.12%)
Earth Rhythm Private Limited	75.83%	India	20.63	1.37%	(11.87)	(5.82%)	0.07	1.35%	(11.80)	(5.64%)
Nykaa Essentials Private Limited	100.00%	India	0.04	0.00%	(0.01)	(0.00%)	-	0.00%	(0.01)	(0.00%)
Step down subsidiary:										
Nykaa International UK Limited	100%	United Kingdom	(5.71)	(0.38%)	(1.67)	(0.82%)	(0.71)	(13.65%)	(2.38)	(1.14%)
FSN Global FZE	100%	UAE	(3.51)	(0.23%)	(0.19)	(0.09%)	(0.36)	(6.92%)	(0.55)	(0.26%)
Nessa International Holdings Limited and its subsidiaries	55%	UAE, Oman, Kuwait, Saudi Arabia, Qatar	52.31	3.48%	(40.35)	(19.79%)	4.72	90.77%	(35.63)	(17.04%)
Minority interest in the subsidiaries			64.12	4.27%	4.50	2.21%	2.15	41.35%	6.65	3.18%
Adjustment on consolidation			(1,378.53)	(91.77%)	(75.93)	(37.23%)	(2.21)	(42.50%)	(78.14)	(37.36%)
Total			**1,502.10**		**203.94**		**5.20**		**209.14**	

Particulars	% of shareholding as at March 31, 2025	Principal place of operation / country of incorporation	As at 31 March 2025							
			Net Assets ('N A'), i.e. total assets minus total liabilities		Share in profit and loss ('P&L')		Share in other comprehensive income ('OCI')		Share in total comprehensive income ('TCI')	
			Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income
Parent:										
FSN E-Commerce Ventures Limited	100%	India	1,659.57	123.60%	97.19	134.86%	(0.95)	22.02%	96.24	142.03%
Subsidiary:										
Nykaa E-retail Limited (formerly known as Nykaa E-retail Private Limited)	100%	India	890.14	66.30%	248.06	344.19%	(1.98)	45.90%	246.08	363.16%
FSN Brands Marketing Private Limited	100%	India	32.84	2.45%	14.90	20.67%	(0.42)	9.74%	14.48	21.37%
Nykaa Fashion Limited (formerly known as Nykaa Fashion Private Limited)	100%	India	(123.72)	(9.21%)	(167.31)	(232.15%)	(0.82)	19.01%	(168.13)	(248.13%)
Nykaa KK Beauty Private Limited	51%	India	35.92	2.68%	10.98	15.24%	(0.02)	0.46%	10.96	16.17%
FSN International Limited (formerly known as FSN International Private Limited)	100%	India	38.58	2.87%	(1.53)	(2.12%)	(0.01)	0.23%	(1.54)	(2.27%)
FSN Distribution Limited (formerly known as FSN Distribution Private Limited)	100%	India	(340.91)	(25.39%)	(145.08)	(201.30%)	(0.35)	8.11%	(145.43)	(214.63%)
Dot & Key Wellness Private Limited	90%	India	118.04	8.79%	56.09	77.83%	(0.17)	3.94%	55.92	82.53%
Nykaa Foundation	99.93%	India	0.01	0.00%	-	0.00%	-	0.00%	-	0.00%
Nudge Wellness Private Limited	60%	India	2.95	0.22%	(0.84)	(1.17%)	-	0.00%	(0.84)	(1.24%)
Iluminar Media Private Limited	100%	India	51.84	3.86%	48.81	67.73%	(0.09)	2.09%	48.72	71.90%
Earth Rhythm Private Limited (w.e.f. November 26, 2024)	74.63%	India	21.00	1.56%	(3.18)	(4.41%)	-	0.00%	(3.18)	(4.69%)
Nykaa Essentials Private Limited (w.e.f. March 10, 2025)	0.00%	India	-	-	-	-	-	-	-	-
Step down subsidiary:										
Nykaa International UK Limited	100%	United Kingdom	(5.64)	(0.42%)	(1.36)	(1.89%)	(0.27)	6.26%	(1.63)	(2.41%)
FSN Global FZE	100%	UAE	(3.29)	(0.25%)	(0.42)	(0.58%)	(0.07)	1.62%	(0.49)	(0.72%)
Nessa International Holdings Limited and its subsidiaries	55%	UAE	16.54	1.23%	(25.76)	(35.74%)	0.69	(15.99%)	(25.07)	(37.00%)
Minority interest in the subsidiaries			41.38	3.08%	5.99	8.31%	0.10	(2.23%)	6.09	8.98%
Adjustment on consolidation			(1,092.59)	(81.38%)	(64.47)	(89.46%)	0.05	(1.16%)	(64.42)	(95.07%)
Total			**1,342.66**		**72.07**		**(4.31)**		**67.76**	

Notes

to the Consolidated Financial Statements as at and for the year ended March 31, 2026

(Amounts in ₹ crores, unless stated otherwise)

Note 55 Other Statutory Information

1 The Holding Company and its subsidiary companies does not have any transactions with companies struck off.

2 The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

3 The Holding Company and its subsidiaries have not traded or invested in Crypto currency or Virtual Currency during the financial year.

4 The Group did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

5 No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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 respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

6 No funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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.

7 Neither the Holding Company nor any of its subsidiary companies are holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Further, no proceedings have been initiated or pending against the Group for holding any benami property under the act and rules mentioned above.

8 The Company and its subsidiaries have not been declared wilful defaulter by any bank or financial institution or any other lender.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Govind Ahuja
Partner

Place: Mumbai
Date: May 21, 2026

For and on behalf of Board of Directors of
FSN E-Commerce Ventures Limited

Falguni Nayar
Executive Chairperson,
CEO & Managing Director
DIN NO.: 00003633

Adwaita Nayar
Executive Director
DIN NO.: 07931382

P Ganesh
Chief Financial Officer

Dr. Chetan Sharma
Company Secretary &
Compliance Officer
Membership No: F8352

Place: Mumbai
Date: May 21, 2026

NOTICE

FSN E-COMMERCE VENTURES LIMITED

CIN: L52600MH2012PLC230136

Registered Office: 104 Vasan Udyog Bhavan, Sun Mill Compound,

Tulsi Pipe Road, Lower Parel, Mumbai – 400013

e-mail: nykaacompanysecretary@nykaa.com; **Website:** www.nykaa.com; **Phone No.:** 022 6838 9616

NOTICE is hereby given that the **14th (Fourteenth) Annual General Meeting** of the Members of FSN E-Commerce Ventures Limited ("the Company") will be held on **Tuesday, August 25, 2026 at 10:30 A.M. (IST)** through Video Conferencing / Other Audio-Visual Means organised by the Company, to transact the following business:

ORDINARY BUSINESS:

(1) To consider and adopt:

(A) Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026 together with the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

(B) Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 and the Report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

(2) To appoint a Director in place of Mr. Sanjay Nayar (DIN: 00002615) who retires by rotation and being eligible offers himself for re-appointment and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sanjay Nayar (DIN: 00002615), Non-Executive (Non-Independent) Director, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Non-Executive (Non-Independent) Director of the Company, liable to retire by rotation."

(3) To appoint a Director in place of Mr. Milan Khakhar (DIN: 00394065) who retires by rotation and being eligible offers himself for re-appointment and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Milan Khakhar (DIN: 00394065), Non-Executive (Non-Independent) Director, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Non-Executive (Non-Independent) Director of the Company, liable to retire by rotation."

(4) To consider and approve the appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/N500013), as Statutory Auditors of the Company, fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof for the time being in force), and based on recommendation of the Audit Committee and the Board of Directors of the Company, M/s. Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/N500013) be and are hereby appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years to hold the office from conclusion of 14th Annual General Meeting till conclusion of the

19th Annual General Meeting of the Company to be held in the calendar year 2031 at such remuneration as may be approved by the Audit Committee / Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT the Audit Committee / Board of Directors of the Company, be and are hereby severally authorized to revise / alter / modify / amend the terms and conditions and / or remuneration, from time to time, as may be mutually agreed with the Auditors, during the tenure of their appointment."

By order of the Board of Directors of
FSN E-Commerce Ventures Limited

Dr. Chetan Sharma
Company Secretary and Compliance Officer
Mem. No.: F8352

Mumbai, July 23, 2026

NOTES:

(1) The Ministry of Corporate Affairs **("MCA")** has, vide its General Circular dated September 22, 2025 read together with circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 (collectively referred to as **"MCA Circulars"**), permitted convening the Annual General Meeting (**"AGM" / "Meeting"**) through Video Conferencing ("**VC**") or Other Audio Visual Means (**"OAVM"**), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (**"Act"**) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

(2) The explanatory statement pursuant to the provisions Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, are annexed hereto

(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 ATTEND 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 OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

(4) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

(5) Institutional/Corporate Members are entitled to appoint authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/Corporate Members are requested to send a certified true copy of the Board Resolution authorising its representatives to attend and vote at the AGM, to the Scrutiniser at csllp108@gmail.com with a copy marked to evoting@nsdl.com.

Alternatively, the Corporate/Institutional Members (i.e., other than individuals, HUFs, NRIs, etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter, etc., by clicking on the "Upload Board Resolution/Authority Letter" displayed under the "e-voting" tab.

(6) Members can join the AGM in VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com. Please note that, the facility for participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.

(7) Re-appointment of Directors and Appointment of Statutory Auditors:

The relevant details, pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors and Statutory Auditors seeking appointment / re-appointment at this AGM is also annexed. Requisite declarations have been received from the Directors and Statutory Auditors seeking appointment / re-appointment.

(8) Electronic dispatch of Integrated Annual Report and process for registration of e-mail ID for obtaining copy of Integrated Annual Report:

In compliance with the aforementioned MCA circulars and Listing Regulations, Notice convening the AGM along with the Integrated Annual Report for FY 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company and/or with Depository Participants (DPs) and/or with Registrar and Share Transfer Agent ("RTA"). A letter providing the web-link, including the exact path, where complete details of the Integrated Annual Report, is being sent to those Members who have not registered their e-mail addresses. Members may note that the Notice and the Integrated Annual Report for the FY26 will also be available on the website of the

Company at www.nykaa.com, websites of the Stock Exchanges on which the equity shares of the Company are listed i.e., National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com), and on the website of RTA i.e., MUFG Intime India Private Limited at https://in.mpms.mufg.com/

(a) In case any Member is desirous of obtaining physical copy of the Annual Report for the FY26, he/she may send a request to the Company by writing at nykaacompanysecretary@nykaa.com or to the RTA at investor.helpdesk@in.mpms.mufg.com.

(b) Process for registration of e-mail ID for obtaining copy of Notice convening the AGM along with the Integrated Annual Report:

Any person who is a Member of the Company as on **cut-off date for dispatch of Notice convening the AGM along with the Integrated Annual Report i.e., Friday, July 24, 2026** and who has not yet registered his/her e-mail with the Depository Participants ("DPs") (if shares held in electronic form) / Company / RTA (if shares held in physical form) is requested to get the e-mail address registered in order to receive copy of the same by completing the process as mentioned under:

Members holding share(s) in physical mode: by registering e-mail address with MUFG Intime India Private Limited. Click the link in their web site https://in.mpms.mufg.com/ at the Investor Services tab, choose the E-mail Registration heading and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio No., PAN, mobile number and e-mail ID to MUFG Intime India Private Limited at investor.helpdesk@in.mpms.mufg.com. In case of any query, a member may send an e-mail to MUFG Intime India Private Limited at rnt.helpdesk@in.mpms.mufg.com.

Members holding share(s) in electronic mode: by registering / updating their e-mail ID in respect of demat holdings with the respective DPs by following the procedure prescribed by the DPs for receiving all communications from the Company electronically.

(9) Documents open for inspection:

(a) All the documents referred to in the accompanying Notice shall be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e., August 25, 2026. Members seeking to inspect such documents can send an e-mail to nykaacompanysecretary@nykaa.com mentioning their DP ID and Client ID / Folio Number. These will be replied to by the Company suitably.

(b) The 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 the directors are interested, maintained under Section 189 of the Act and the Certificate from M/s. S.N. Ananthasubramanian & Co., Company Secretaries, Secretarial Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to nykaacompanysecretary@nykaa.com.

(10) Instructions for Members for remote e-voting and e-voting during the AGM:

(a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Secretarial Standard - 2 on General Meetings, Regulation 44 of Listing Regulations (as amended) and the applicable MCA Circulars, the Company is pleased to provide a facility to the Members to cast their votes using an electronic voting system from any place before the Meeting (**"remote e-voting"**) and during the Meeting in respect of the resolutions proposed in this Notice. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

(b) **The Members, whose names appear in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date i.e., Tuesday, August 18, 2026, are entitled to vote on the Resolutions set forth in this Notice.** Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on the cut-off date i.e., **Tuesday, August 18,2026.** A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

(c) The remote e-voting period commences on **Friday, August 21, 2026 from 09:00 a.m. (IST) and concludes on Monday, August 24, 2026 at 05:00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

(d) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes Member of the Company after the Notice is dispatched and holding shares as of the cut-off date i.e., **Tuesday, August 18, 2026** may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 022 48867000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e., **Tuesday, August 18, 2026** may follow steps mentioned below in Note 11 under "Login method for e-voting and joining virtual AGM for individual shareholders holding securities in demat mode".

(11) Procedure for remote e-voting and e-voting during the AGM:

The detailed process and manner for accessing and participating in the 14th AGM through VC/OAVM facility and voting through electronic means including remote e-voting are explained herein below:

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

(A) Login method for e-voting for Individual Members holding securities in demat mode:

In terms of SEBI circular dated December 09, 2020 on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered e-mail ID/mobile number and click on login. 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 i.e. NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period. 2. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added 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 i.e. NSDL** and you will be re-directed to **e-voting website of NSDL** for casting your vote during the remote e-voting period. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 hold 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 i.e. NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period. 5. Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of Members	Login Method
Individual Members holding securities in demat mode with CDSL	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 users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. 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 i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.

Important note: Members who are unable to retrieve User ID/Password are advised to use the Forgot User ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

(B) Login Method for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

How to login to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Login type		Helpdesk details
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN then user ID is 101456001***

5. Password details for Members other than Individual Members are given below:

   a) If you are already registered for e-voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i. If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your e-mail ID is not registered, please follow steps mentioned below in process for those Members whose e-mail IDs are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of the Company for which you wish to cast your vote during the e-voting period.
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those Members whose e-mail IDs are not registered with the depositories for procuring User ID and Password and registration of e-mail IDs for e-voting for the resolutions set out in this Notice:

1. Members whose shares are held in physical form are requested to provide 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 e-mail to evoting@nsdl.com.
2. Members whose shares are held in demat mode are requested to provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to evoting@nsdl.com. If you are an individual Member holding securities in demat mode, you are requested to refer to the login method explained at Step 1 i.e. Login method for e-voting and joining virtual meeting for individual Members holding securities in demat mode.
3. Alternatively, Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

General Guidelines for Members:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are requested to send 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 by e-mail to csllp108@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries for e-voting, you may refer the Frequently Asked Questions ('FAQs') for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call at Tel: 022 - 4886 7000 or send a request to Mr. Suketh Shetty, Manager, National Securities Depository Limited at evoting@nsdl.com.

(12) Procedure for joining the 14th AGM through VC/OAVM:

(a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for 'Access to NSDL e-voting system'. After successful login, you can see link of "VC/OAVM" placed under "Join Meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice to avoid last minute rush.

(b) Members are encouraged to join the Meeting through laptops for better experience

(c) Further, Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the Meeting.

(d) Please note that Members connecting from mobile devices or tablets or through laptops 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.

(e) Members who need assistance before or during the AGM, you may refer the Frequently Asked Questions ("FAQs") for shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or can:

- Send a request at evoting@nsdl.com or use toll free no.: 022 48867000; or
- Contact Mr. Amit Vishal, Vice President, NSDL at the designated e-mail ID: evoting@nsdl.com; or
- Contact Ms. Pallavi Mhatre, Deputy Vice President, NSDL at the designated e-mail ID: evoting@nsdl.com.

(13) Procedure to raise questions/seek clarifications with respect to Annual Report at the ensuing 14th AGM:

(a) Members are encouraged to express their views/ send their queries in advance mentioning their name, DP ID and Client ID/Folio No., e-mail ID, mobile no. at nykaacompanysecretary@nykaa.com. Questions/queries received by the Company till 05:00 p.m. (IST) on **Thursday, August 20, 2026** shall only be considered and responded during the AGM.

(b) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending an e-mail to nykaacompanysecretary@nykaa.com any time **before 05:00 P.M. (IST) on Thursday, August 20, 2026** mentioning their name, DP ID Client ID / folio number, registered e-mail address and mobile number. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the Meeting.

(c) The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM and avoid repetition of questions, as appropriate for smooth conduct of the AGM. All Members attending the AGM will have the option to post their comments / queries through a dedicated Chat box that will be available below the Meeting Screen.

(14) The transcript of the AGM will be hosted on the website of the Company post the AGM.

(15) Declaration of voting results:

(a) The Board of Directors have appointed Mr. Sachin Sharma (Membership No. 46900/CP. No. 20423) or failing him Mr. Vishwanath (Membership No.: A14521 /CP. No.: 25099), Designated Partners of M/s. Sharma and Trivedi LLP (LLPIN: AAW-6850), Company Secretaries, Mumbai as the Scrutinizer to scrutinize the remote e-voting and e-voting at AGM process in a fair and transparent manner.

(b) The Scrutinizer will submit the results to Executive Chairperson, Managing Director and CEO of the Company or any person authorized by her after completion of the scrutiny and the results will be announced not later than 2 working days of the conclusion of the AGM. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM.

(c) The voting results along with the Scrutiniser's Report will be displayed at the Registered Office of the Company, submitted to the Stock Exchanges viz. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) and also be uploaded on the Company's website: www.nykaa.com and on the website of NSDL: https://www.evoting.nsdl.com/.

Others:

(16) SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievance with the RTA/Company directly and/ or through the SEBI SCORES platform, the Members can initiate dispute resolution through the ODR Portal https://smartodr.in/login and the same can also be accessed through the Company's website at https://www.nykaa.com/

(17) SEBI vide its notification dated January 24, 2022 amended Regulation 40 of the Listing Regulations and mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.

(18) Members may please also note that SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 mandated the listed companies to issue securities in dematerialised form only while processing service requests viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition.

With effect from April 02, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation ("LOC") by the Company/RTA while processing service request[#]. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details along with the latest Client Master List.

[#]Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition.

(19) In accordance with the provisions of Section 72 of the Act and SEBI circulars, the facility for nomination is available for the Members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be.

(20) In view of the above, Members are requested to register and intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

a. For shares held in electronic form: to their respective DPs.

b. For shares held in physical form: to the Company / RTA through the following prescribed Forms:

Form	Description
ISR – 1	Request For Registering PAN, KYC Details or Changes / Updation thereof
ISR – 2	Confirmation of Signature of securities holder by the Banker
ISR – 3	Declaration Form for Opting-out of Nomination
ISR – 4	Request for issue of Duplicate Certificate
ISR – 5	Request for Transmission of Securities by Nominee or Legal Heir
SH – 13	Registration of Nomination
SH – 14	Cancellation or Variation of Nomination

The said forms are available on the Company's website at Norms for Processing Investor's Service Requests.

(21) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

(22) SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company's RTA. Further, it is also mandatory to link PAN details with Aadhar number. Members who are yet to link the PAN details with Aadhar number are requested to complete the same.

By order of the Board of Directors of
FSN E-Commerce Ventures Limited

Dr. Chetan Sharma
Company Secretary and Compliance Officer
Mem. No.: F8352

Mumbai, July 23, 2026

EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION AS REQUIRED UNDER REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS")

Item No. 4

The Members of the Company, at their 9th (Ninth) Annual General Meeting ("AGM") of the Company held on September 29, 2021 had re-appointed M/s. S.R. Batliboi & Associates LLP ("SRB"), Chartered Accountants (ICAI Firm Registration No.: 101049W/E300004) as the Statutory Auditors of the Company for a period of five consecutive years i.e., from conclusion of 9th (Ninth) AGM until the conclusion of 14th (Fourteenth) AGM to be held in the calendar year 2026. Accordingly, SRB shall complete their second term as the Statutory Auditors of the Company at the ensuing AGM of the Company.

Based on recommendations of the Audit Committee, the Board of Directors at its Meeting held on July 23, 2026 has recommended the appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/N500013), as the Statutory Auditors of the Company for a period of 5 (five) consecutive years from the conclusion of the 14th (Fourteenth) AGM of the Company till the conclusion of the 19th (Nineteenth) AGM subject to approval of the Members. The Company has received a written consent and a certificate from M/s. Walker Chandiok & Co. LLP confirming that they satisfy the criteria provided under Section 141 of the Act and that their appointment, if approved, shall be in accordance with the applicable provisions of the Act and rules framed thereunder. Further, M/s. Walker Chandiok & Co. LLP have provided a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

M/s. Walker Chandiok & Co. LLP (Firm Registration no. 001076N/N500013) is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI), Public Company Accounting Oversight Board (PCAOB) and empanelled with Comptroller and Auditor General of India (CAG). The firm was established in the year 1935 and its registered office is situated at New Delhi with nineteen other offices across major cities in India. It has ninety-seven partners. It has a valid peer review certificate and is one of India's leading audit firms providing audit and assurance services to several large companies including some of the top one hundred listed entities in India.

The proposed remuneration payable to M/s. Walker Chandiok & Co. LLP for audit services for the FY 2026-27 is ₹0.80 Crores excluding administrative and out-of-pocket expenses and applicable taxes. The remuneration payable to the Statutory Auditors for the subsequent years of their term shall be determined by the Board, based on the recommendation of the Audit Committee, and as mutually agreed with the Statutory Auditors.

There is no material change in the remuneration proposed to be paid to M/s. Walker Chandiok & Co. LLP, vis-à-vis the remuneration paid to SRB, the retiring Statutory Auditors.

Basis of recommendation:

The Audit Committee, pursuant to its evaluation process for selection of the Statutory Auditors, considered, inter alia, the professional competence of M/s. Walker Chandiok & Co. LLP, its experience in auditing large-listed companies, industry expertise, independence, quality control standards, peer review status, regulatory track record, audit methodology, availability of adequate resources and the proposed audit fees. Based on the aforesaid evaluation, the Audit Committee was satisfied that M/s. Walker Chandiok & Co. LLP possesses the requisite expertise, experience and capability to conduct the statutory audit of the Company and accordingly recommended its appointment as the Statutory Auditors of the Company for a term of five consecutive years. The Board, after considering the recommendation of the Audit Committee and the completion of the tenure of the existing Statutory Auditors in accordance with the applicable provisions of the Companies Act, 2013, concurred with the recommendation and recommends the appointment of M/s. Walker Chandiok & Co. LLP for approval of the Members.

Further, the Company may additionally avail audit services for group companies and permissible non-audit services (including certifications under various laws and regulations) from M/s. Walker Chandiok & Co. LLP or any entity under the same network, towards which they will be paid such fees/remuneration as approved by the Board, based on the recommendation of the Audit Committee, and as mutually agreed with the Statutory Auditors / network entity.

None of the Directors and/ or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board recommends the resolution set forth in Item No. 4 for the approval of Members as an **Ordinary Resolution.**

By order of the Board of Directors of
FSN E-Commerce Ventures Limited

Dr. Chetan Sharma
Company Secretary and Compliance Officer
Mem. No.: F8352

Mumbai, July 23, 2026

ANNEXURE TO AGM NOTICE

DETAILS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT AT THE MEETING

[Pursuant to Regulation 36 of the Listing Regulations and Secretarial Standards – 2 on General Meetings]

Name of the Director	Mr. Sanjay Nayar	Mr. Milan Khakhar
Director Identification Number	00002615	00394065
Designation	Non-Executive (Non-Independent) Director	Non-Executive (Non-Independent) Director
Date of Birth (Age in years)	October 13, 1960 (65 years)	January 18, 1961 (65 years)
Qualifications	• Bachelor's degree in science in mechanical engineering from the University of Delhi. • Post-graduate diploma in management from the Indian Institute of Management, Ahmedabad.	• Bachelor's degrees in commerce and law from the University of Bombay. • Awarded with a merit certificate under the National Scholarship Scheme by the Government of Maharashtra in 1983.
Experience (including expertise in specific functional area) / Brief Resume	Mr. Sanjay Nayar is a senior finance professional in the Indian private investing landscape and has over three decades of experience in the Global financial markets. Presently, he is the Founder and Chairman of Sorin Investment Fund, an early-stage technology fund founded in December 2022. He is currently also serving as President of ASSOCHAM. Mr. Sanjay Nayar has over 41 years of experience in the banking and private equity. He was associated with Citibank N.A. for over 25 years, where he also served as Chief Executive Officer of the Bank of India over six years. He was Chief Executive Officer of KKR India Advisors Private Limited from 2009 to 2020 and has also been on the boards of various KKR portfolio companies and served as Chairman of Avendus Capital. Marquee affiliations: Recently appointed as a nonofficial member for the Board of Trade, Government of India, representing the private sector; (A key advisory body to the commerce and industry ministry). Member of the Board of US-India Strategic Partnership Forum (USISPF), Governing Board of Indian School of Business (ISB), member of Advisory Board of Habitat for Humanity, Chairman of Grameen Impact Investments India (GIII); and Founder – Board Member of Centre for Social and Economic Progress (CSEP).	Mr. Milan Khakhar has over 40 years of experience in natural stones and building materials industry sector. He is a Commerce and Law Graduate from the University of Mumbai and has rich business experience. Currently he is the Chairman and Managing Director of Solid Stone Company Limited, a BSE listed entity
Terms and Conditions of Re-appointment	Non-Executive (Non-Independent) Director of the Company, liable to retire by rotation.	Non-Executive (Non-Independent) Director of the Company, liable to retire by rotation.
Remuneration last drawn (FY2025-26)	As disclosed in the Corporate Governance Report.	As disclosed in the Corporate Governance Report.
Remuneration proposed	He is entitled for sitting fee and reimbursement of expenses for attending the Meetings and commission from the Company. Currently, he has waived the sitting fees, commission and other expenses.	He is entitled for sitting fee and reimbursement of expenses for attending the Meetings and commission from the Company. Currently, he has waived the commission and other expenses.
Date of first appointment on the Board	April 09, 2021	September 28, 2015

Name of the Director	Mr. Sanjay Nayar	Mr. Milan Khakhar
Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2026	60,20,84,620 equity shares held through Sanjay Nayar Family Trust	Nil
Relationship with other Directors / Key Managerial Personnel	Husband of Ms. Falguni Nayar and Father of Ms. Adwaita Nayar & Mr. Anchit Nayar	N.A.
Number of meetings of the Board attended during the FY26	5 out of 6	6 out of 6
Directorships of other Boards as on March 31, 2026	• FSN International Limited • Heritage View Developers Private Limited • Sealink View Probuild Private Limited • Sea View Probuild Private Limited • Epimoney Private Limited • Grameen Impact Investments India Private Limited • CSEP Research Foundation • Indian School of Business • Pratham Education Foundation • Pratham Institute for Literacy Education and Vocational Training • Sanjay & Falguni Nayar Foundation • Nykaa Foundation • Nykaa International UK Limited • Nessa International Holdings Limited • Nysaa Beauty LLC • Nysaa Distribution FZE • Nysaa Beauty Bahrain WLL • The Associated Chambers of Commerce and Industry of India • Invest India (appointed w.e.f. 22.08.2025) • Arjav Capital Solutions Private Limited (w.e.f. 21.03.2026)	• Solid Stone Company Limited • Global Instile Solid Industries Limited • Nykaa Fashion Limited
Membership / Chairmanship of Committees of other Companies (other than FSNE) as on March 31, 2026	**Epimoney Private Limited:** • Asset-Liability Management Committee - Member • Risk & Credit Management Committee - Member	**Solid Stone Company Limited: -** • Stakeholder Relationship Committee- Member
Entities from which the Director has resigned in the past three years	• Avendus Capital Private Limited • Radiant Life Care Private Limited • Seynse Technologies Private Limited • Incred Holdings Limited • Incred Financial Services Limited • FSN Distribution Limited (ceased to be Director w.e.f. 14.07.2025)	1. Universal Tiles & Stone Company Limited (Struck Off -25.04.2025) 2. Solid Realty Company Private Limited (Struck Off -25.04.2025)
As the full-time employments of the Directors will be counted in the Number of Board Membership for giving voting decision, Disclosure regarding such full-time employments of Directors, if Board is of the opinion that the Director will be able to devote sufficient time along with the reason for such opinion.	N. A.	N. A
Whether atleast 75% Board Meetings have been attended in past 3 years by the Director	Yes	Yes

Name of the Director	Mr. Sanjay Nayar	Mr. Milan Khakhar
In case the Director is a past employee, whether the said Director was appointed on the Board after the Completion of 5 years cooling off period	N.A.	N.A.
Companies which displayed poor governance practices and oversight, on which the said Director was a Board Member or that he failed in discharging fiduciary responsibilities in other Companies	Nil	Nil
Whether they are Promoter Director of any Company whose performance has been continuously deteriorating	Nil	Nil
Number of Promoter family members on the Board of the Company	4 (including Mr. Sanjay Nayar)	N.A.
Reputational Risk, if any, associated with the said Director or any transactions associated in a manner prejudicial to minority shareholders	Nil	Nil
Director's political linkages, if any	Nil	Nil

Notes

Corporate Information

BOARD OF DIRECTORS

Ms. Falguni Nayar
Executive Chairperson, Managing Director and CEO

Mr. Sanjay Nayar
Non-Executive Director

Mr. Anchit Nayar
Executive Director

Ms. Adwaita Nayar
Executive Director

Ms. Anita Ramachandran
Independent Director

Mr. Milind Sarwate
Independent Director

Mr. Pradeep Parameswaran
Independent Director

Mr. Seshashayee Sridhara
Independent Director

Mr. Milan Khakhar
Non-Executive Director

Mr. Santosh Desai
Independent Director

Mr. Dipak Gupta
Independent Director (w.e.f. October 01, 2025)

CHIEF FINANCIAL OFFICER

Mr. P Ganesh

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Neelabja Chakrabarty (till September 30, 2025)

Dr. Chetan Sharma (w.e.f. November 26, 2025)

STATUTORY AUDITORS

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants

SECRETARIAL AUDITORS

M/s. S. N. Ananthasubramanian & Co., Company Secretaries

BANKERS

Axis Bank Ltd.

IDFC First Bank Ltd.

Kotak Mahindra Bank Ltd.

HDFC Bank Ltd.

ICICI Bank Ltd.

Citibank N.A.

JP Morgan

DBS Bank India Limited

The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

104, Vasan Udyog Bhavan,

Sun Mill Compound, Tulsi Pipe Road,

Lower Parel, Mumbai – 400 013.

Tel No.: 022-6838 9616

CORPORATE OFFICE

A2, 4th Floor, Cnergy IT Park,

Appasaheb Marathe Marg,

Opposite Tata Motors,

Prabhadevi, Mumbai – 400 025.

Tel No.: 022-3095 8700

REGISTRAR AND TRANSFER AGENT

MUFG Intime India Private Limited

C-101, 1st Floor, 247 Park,

Lal Bahadur Shastri Marg,

Vikhroli (West), Mumbai – 400 083

Email: investor.helpdesk@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

14TH ANNUAL GENERAL MEETING

Tuesday, August 25, 2026 at 10:30 A.M. through Video Conference/ Other Audio-Visual Means

CORPORATE IDENTIFICATION NUMBER

L52600MH2012PLC230136

WEBSITE

https://www.nykaa.com/



FSN E-Commerce Ventures Limited

Registered Office: 104 Vasan Udyog Bhavan | Sun Mill Compound | S. B. Marg | Tulsi Pipe Road | Lower Parel (W) | Mumbai – 400013
Website: www.nykaa.com | Phone: +91 22 6838 9616 | Email – nykaacompanysecretary@nykaa.com
CIN: L52600MH2012PLC230136

Concept, Content & Design
NEXT STEPS (engage@nextsteps.net.in)