V C SHAH & CO
CHARTERED ACCOUNTANTS

205-206, Regent Chambers, 2nd Floor, Jamnalal Bajaj Road, 208, Nariman Point, Mumbai 400 021. Tel.: 022 - 43440123 email- vcshahco@vcshah.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Nykaa Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Nykaa Foundation** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, and the Statement of Income and Expenditure including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to financial statements including a summary of the 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 financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and nil (profit/loss), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 Board's Report (including annexures thereto) but does not include the financial statements and our auditor's report thereon.

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

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India., including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not



detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial 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.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act 2013 is not applicable to the Company.

2. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with the 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) Reporting under Clause (i) of Section 143(3) is not applicable pursuant to notification no G.S.R 583(E) dated June 13, 2017 read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to financials statements.

g) The observation relating to maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under section 143(3) and paragraph (i)(vi) below on reporting under Rule 11(g).

h) The Company has not paid any remuneration to its directors during the year. Accordingly, the provision of Section 197 of the Act is not applicable.

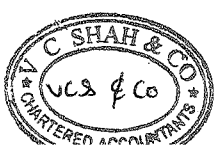
i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigation which could impact its financial position.

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, as disclosed in the note 18(v) no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with



the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 18(vi), no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared nor paid any dividend during the year. Hence reporting the compliance with section 123 of the Act is not applicable.

vi. Based on our examination which included test checks, and for the matters as described below, the company has used accounting software for maintaining its books of account which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software as described in Note 17 to the financial statements –

a. In respect of the legacy accounting software, the audit trail facility was enabled for relevant transactions recorded in the software except that 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, the audit trail facility was enabled at the application layer, however certain users have access to make direct changes which are not logged. For database layer, 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 issued by ERP service provider does not explicitly mention if the audit trail controls were enabled or not at the database layer.



Further during the course of our audit, we did not come across any instance of audit trail feature being tampered with for the respective period stated above and the audit trail has been preserved by the Company as per the statutory requirements for record retention to the extent it was available in the respective systems.

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

Viral J. Shah
Partner
Membership No: 110120
UDIN: 26110120QIFFFA4302
Place: Mumbai
Date: April 30, 2026

NYKAA FOUNDATION
(All amounts in ₹ Lakhs, unless otherwise stated)

Balance Sheet as at March 31, 2026

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Current assets			
Financial assets			
Cash and cash equivalents	4	1.36	2.27
Other current assets	5	0.41	-
Total current assets		**1.77**	**2.27**
Total assets		**1.77**	**2.27**
Equity and liabilities			
Equity			
Equity share capital	6	1.00	1.00
Other equity	7	-	-
Total equity (A)		**1.00**	**1.00**
Liabilities			
Current liabilities:			
Financial liabilities			
Other Financial Liabilities	8	0.66	1.21
Other Current Liabilities	9	0.11	0.06
Total current liabilities (B)		**0.77**	**1.27**
Total equity and liabilities (A+B)		**1.77**	**2.27**
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date
For V C Shah & Co
Chartered Accountants
ICAI Firm Registration No. 109818W

V C SHAH & CO CHARTERED ACCOUNTANTS

per Viral J. Shah
Partner
Membership No. 110120
Place: Mumbai

Date: April 30, 2026

For and on behalf of the Board of Directors of
Nykaa Foundation

Sanjay Nayar
Director
DIN : 00002615
Place: Mumbai

Date: April 30, 2026

Adwaita Nayar
Director
DIN : 07931382
Place: Mumbai

Date: April 30, 2026

NYKAA FOUNDATION

NYKAA FOUNDATION
(All amounts in ₹ Lakhs, except per share data and unless otherwise stated)

Statement of Income and Expenditure for the year ended March 31, 2026

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income:			
Donation received	10	656.36	419.50
Total Income from Operations		**656.36**	**419.50**
Operating Expenses:			
Donation paid		655.30	418.12
Other expenses	11	1.06	1.38
Total expenses		**656.36**	**419.50**
Excess of income over expenditure before tax		-	-
Tax expense:			
Current tax		-	-
Deferred Tax		-	-
Excess of income over expenditure after tax		-	-
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) of defined benefit plan		-	-
Income tax effect on above		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive Income/(loss) for the year		-	-
Earnings per share of face value ₹ 10/- each			
Basic	12	-	-
Diluted	12	-	-
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date
For V C Shah & Co
Chartered Accountants
ICAI Firm Registration No. 109818W

per Viral J. Shah
Partner
Membership No. 110120
Place: Mumbai

Date: April 30, 2026

For and on behalf of the Board of Directors of
Nykaa Foundation

Sanjay Nayar
Director
DIN : 00002615
Place: Mumbai

Date: April 30, 2026

Adwaita Nayar
Director
DIN : 07931382
Place: Mumbai

Date: April 30, 2026

NYKAA FOUNDATION
(All amounts in ₹ Lakhs, unless otherwise stated)

Statement of Cashflows for the year ended March 31, 2026

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash Flow from Operating Activities		
Excess of income over expenditure before tax as per Statement of Income and Expenditure	-	-
Adjustment to reconcile excess of income over expenditure before tax to net cash flows		
Working capital Adjustments:		
Increase/(Decrease) in other financial liabilities	(0.55)	0.19
(Decrease)/Increase in other current liabilities	0.05	(0.14)
(Increase)/Decrease in other current assets	(0.41)	-
Cash generated from Operations Before Taxes	**(0.91)**	**0.05**
Less:- Payment of Taxes	-	-
Net Cash (used) in Operating Activities (A)	**(0.91)**	**0.05**
Cash Flow from Investing Activities	-	-
Net Cash from Investing Activities (B)	-	-
Cash Flow from Financing Activities	-	-
Net cash flows from financing activities (C)	-	-
Net decrease in Cash & Cash equivalents (A+B+C)	**(0.91)**	**0.05**
Cash and cash equivalents at the beginning of the year	2.27	2.27
Cash and cash equivalents at the end of the year	**1.36**	**2.27**
Components of Cash and Cash Equivalents		
Cash and cash equivalents (Refer note 4)	1.36	2.27
Total cash and cash equivalents	**1.36**	**2.27**

Note:
1. The above Statement of Cashflow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IND AS) 7: Statement of Cash Flows

The accompanying notes are integral part of the financial statements

As per our report of even date
For V C Shah & Co
Chartered Accountants
ICAI Firm Registration No. 109818W

per Viral J. Shah
Partner
Membership No. 110120
Place: Mumbai

Date: April 30, 2026

For and on behalf of the Board of Directors of Nykaa Foundation

Sanjay Nayar
Director
DIN : 00002615
Place: Mumbai

Date: April 30, 2026

Adwaita Nayar
Director
DIN : 07931382
Place: Mumbai

Date: April 30, 2026

NYKAA FOUNDATION
(All amounts in ₹ Lakhs, except per share data and unless otherwise stated)

Statement of Changes in Equity for the year ended March 31, 2026

a. Equity Share Capital (refer note 6):

Equity shares of ₹ 10 each issued, subscribed and fully paid

Particulars	No. of shares	Amount
As at April 01, 2024	10,000	1.00
Issued during the year	-	-
As at March 31, 2025	**10,000**	**1.00**
Issued during the year	-	-
As at March 31, 2026	**10,000**	**1.00**

B. Other Equity (refer note 7):

Particulars	Reserves & Surplus	Other Comprehensive Income (OCI)	Total other equity
	Retained Earnings		
As at April 01, 2024	-	-	-
Net Profit/(Loss) for the year	-	-	-
Other comprehensive income	-	-	-
Total Comprehensive income	-	-	-
Additions during the year	-	-	-
As at March 31, 2025	-	-	-
Net Profit/(Loss) for the year	-	-	-
Other comprehensive income	-	-	-
Total Comprehensive income	-	-	-
Additions during the year	-	-	-
As at March 31, 2026	-	-	-
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date
For V C Shah & Co
Chartered Accountants
ICAI Firm Registration No. 109818W

per Viral J. Shah
Partner

Membership No. 110120
Place: Mumbai

Date: April 30, 2026

For and on behalf of the Board of Directors of
Nykaa Foundation

Sanjay Nayar
Director
DIN : 00002615
Place: Mumbai

Date: April 30, 2026

Adwaita Nayar
Director
DIN : 07931382
Place: Mumbai

Date: April 30, 2026

Nykaa Foundation
Notes to Financial Statements for the year ended March 31, 2026

(All amounts are in ₹ Lakhs, except per share data and unless stated otherwise)

1. Corporate Information

Nykaa Foundation ("The Company"), is a Company limited by Shares registered under section 8 of the Companies Act, 2013. The Company is registered with the Registrar of Mumbai on June 8, 2022 having registered office of the Company located at 104, Floor-1, Vasan Udyog Bhawan, Off Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra, India, 400013; the main objects of the Company are as follows:

a) The Company aims to create a holistic and universally accessible ecosystem for Education, Child and Women Empowerment, Gender Equality, Poverty, Malnutrition in rural area or slum areas for underprivileged and marginalized sector of the society. The Company enables the delivery of a variety of services and innovations to people in need across the nation. The Company is a progressive and affirmative for social upliftment by spreading education, skill for woman, child, improving quality of education through techniques such as Digital Literacy, economic literacy, skill-development across India.

b) The Company provides to raise fund if require and encourage for all efforts that stimulate the reform in education, skill development, child welfare, women empowerment, preventing sexual harassment, ensuring availability of flexible working, life coaching, specialized workshops on subjects such as body positivity and mental health counselling and strengthen the existing setups formed for these purposes.

c) The Company aims to promote complete social inclusion of woman and children through the work of its subsidiaries/ associates/ partners/ grantees. The Company also aims to add value to its donor's/ grantees' work by providing technical expertise, capacity building, helping create alliances, helping scale up and create a sustainability plan with visible impact.

d) The Company aims to manufacture, market goods and services for women, including but not limited to female hygiene products, birth control products, products & services for diagnosis, testing, prevention, treatment or control of any diseases that affect women. It also aims to provide affordable products or services in general for health care of women and is working towards economic empowerment of women and their families, preventing or reducing harassment of any kind, including but not limited to dowry harassment, sexual harassment, gender-based inequality, human trafficking or violence on women.

e) The Company also aims to encourage and support for charitable purposes relating to relief to the poor, provision of medical relief, preservation of environment through initiatives directed towards biodiversity, conservation of resources, renewable energy and ecological balance and preservation of monuments or places of artistic or historic interest including socio-economic development.

f) The Company aims to work towards the inclusion of the underprivileged sections of the Society in the mainstream, with special focus on the women and children and promote inclusive growth.

The separate financial statements for the year ended March 31, 2026 were approved by the Board of Directors and authorised for issue on April 30, 2026.

2. Material Accounting Policies

i) Statement of compliance:

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.





(All amounts are in ₹ Lakhs, except per share data and unless stated otherwise)

ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

iii)New and amended standards adopted by the Company

The Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amended certain accounting standards with effect from the date of notification. These amendments did not have a material impact on the amounts recognised in prior periods and are not expected to have a significant impact on the current or future reporting 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.

3. **Summary of material accounting policies:**

a) Donation received

Donations received with restrictions as to use are recognised in the Statement of Income and Expenditure account as income in the year of utilisation and as at balance sheet date, the unutilised amount is represented by 'Restricted Funds'. These donations are subject to certain restrictions set out by the contributor and agreed upon by the Company when accepting the contribution. Donations received for which there are no restrictions as to use are recognised in the Statement of Income and Expenditure account as income in the year of receipt.

Donations received with stipulation as to corpus are credited to corpus fund in the Balance Sheet. Such donations are transferred to Statement of Income and Expenditure as per the direction of the management for carrying out the activities of the Company. Interest income generated from assets held in corpus fund is also credited to corpus fund.

b) Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

c) Current / Non – Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be settled within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.





A liability is current when:

- It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period.
- It is held primarily for the purpose of trading.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

d) 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 Income and Expenditure.

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 estimate.

e) Earnings per share

Basic earnings per share is computed by dividing the excess of income over expenditure 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 excess of income over expenditure 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.

NYKAA FOUNDATION
Notes to Financial Statements for the year ended March 31, 2026
(All amounts in ₹ Lakhs, except per share data and unless otherwise stated)

Note 4
Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks		
In Current Accounts	1.36	2.27
Total	**1.36**	**2.27**

Note 5
Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Other Receivables -Intercompany (Also refer note 13)	0.41	-

Note 6
Equity Share Capital

6.1
(i) Authorised Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
10,00,000 Equity shares of ₹ 10/- each	100.00	100.00

Terms/ rights attached to equity shares
The Company has only one class of equity shares having a par value of ₹ 10 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.

(ii) Issued,Subscribed & Paid up Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
10,000 Equity Shares of ₹ 10/- each fully paid up	1.00	1.00

6.2 List of shareholders holding more than 5% Shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	% of shares	No of Shares	% of shares
FSN E-Commerce Ventures Limited	9,993	99.93%	9,993	99.93%

6.3 Shares held by Holding Company
Shareholding of Promoters as at March 31, 2026

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of Shares	% of shares	No of Shares	% of shares
FSN E-Commerce Ventures Limited	9,993	99.93%	9,993	99.93%

6.4 The Company has not issued any shares for consideration other than cash during the period of five year immediately preceding the reporting date.

NYKAA FOUNDATION

V C SHAH & CO CHARTERED ACCOUNTANTS

NYKAA FOUNDATION
Notes to Financial Statements for the year ended March 31, 2026
(All amounts in ₹ Lakhs, unless otherwise stated)

Note 7
Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained Earnings		
Opening Balance	-	-
Add: Excess of income over expenditure	-	-
Closing Balance	**-**	**-**

Note 8
Other Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Liabilities at amortised cost		
Accrued expenses (Refer note 13)	0.66	0.60
Advances	-	0.61
Total	**0.66**	**1.21**

Note 9
Other Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Dues Payable	0.11	0.06
Total	**0.11**	**0.06**

Note 10
Donation received

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Unrestricted Donation	656.36	419.50
Total	**656.36**	**419.50**

N.C. SHAH & CO. CHARTERED ACCOUNTANTS

NYKAA FOUNDATION

NYKAA FOUNDATION
Notes to Financial Statements for the year ended March 31, 2026
(All amounts in ₹ Lakhs, except per share data and unless otherwise stated)

Note 11
Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Bank Charges	0.01	0.00*
Auditors remuneration:		
- Audit fees	0.55	0.55
- Out of pocket expenses	0.03	0.02
- Taxation Matters	-	-
Web & Technology Expenses	0.19	-
Rates & Taxes	-	0.24
Legal and professional fees	0.28	0.57
Total	**1.06**	**1.38**

*Numbers are below lakhs under the rounding off convention adopted by the Company and accordingly not reported.

Note 12
Basic & diluted earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Nominal value of per equity share	10/-	10/-
Excess of income over expenditure as per statement of income and expenditure (A)	-	-
Excess of income over expenditure attributable to equity shareholders	-	-
Total number of shares outstanding during the year (B)	10,000	10,000
Weighted average number of equity shares outstanding during the year (C)	10,000	10,000
Basic earnings per share (A/B)	-	-
Diluted earnings per share (A/C)	-	-

Note 13
Related party transactions

A. Names of the related parties
Names of related parties have been disclosed where the transaction exists

Relationship	Name of entity
Holding Company	FSN E-Commerce Ventures Limited
Fellow Subsidiary	Nykaa E-Retail Limited * Dot & Key Wellness Limited * Nykaa-KK Beauty Private Limited * FSN Brands Marketing Private Limited * FSN Distribution Limited FSN International Limited Nykaa Fashion Limited

*where transactions have occurred during current or previous year.

B. Transactions with Related party

Name of Related Party	Nature of Transaction	Transaction during the Year ended March 31, 2026	Balance as at March 31, 2026	Transaction during the Year ended March 31, 2025	Balance as at March 31, 2025
Holding Company					
FSN E-Commerce Ventures Limited	Donation received	231.48	-	94.65	-
	Web and technology expense	0.19	(0.19)	-	-
	Equity Share Capital	-	1.00	-	1.00
Fellow Subsidiaries					
Nykaa E-Retail Limited	Donation received	333.11	0.41	299.36	(0.61)
Dot & Key Wellness Limited		51.20	-	6.40	-
FSN Brands Marketing Private Limited		14.14	-	-	-
Nykaa-KK Beauty Private Limited		26.01	-	19.70	-
Nykaa E-Retail Limited	Equity Share Capital	-	0.00*	-	0.00*
Dot & Key Wellness Limited		-	0.00*	-	0.00*
Nykaa-KK Beauty Private Limited		-	0.00*	-	0.00*
FSN Brands Marketing Private Limited		-	0.00*	-	0.00*
FSN Distribution Limited		-	0.00*	-	0.00*
FSN International Limited		-	0.00*	-	0.00*
Nykaa Fashion Limited		-	0.00*	-	0.00*

*Numbers are below lakhs under the rounding off convention adopted by the Company and accordingly not reported.

C SHAH & CO CHARTERED ACCOUNTANTS

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Note 14
Fair value of financial assets and financial liabilities

Below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments with carrying amounts that are reasonable approximations of fair values.

The following table provides the fair value measurement hierarchy for assets / liabilities as at March 31, 2026 and March 31, 2025 is as under :

Particulars	Carrying value As at March 31, 2026	Carrying value As at March 31, 2025
Financial Assets:		
Amortised cost		
Cash and cash equivalents	1.36	2.27
Total	**1.36**	**2.27**
Financial Liabilities:		
Amortised cost		
Other financial liabilities	0.66	1.21
Total	**0.66**	**1.21**

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.

Note 15
Financial Risk Management Objectives and Policies
The Company's principal financial liabilities comprise other financial liabilities. 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 that derive directly from its operations.

The Company is exposed to various financial risks i.e. liquidity risk. The Company's senior management team oversees the management of these risks.

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					
Other financial liabilities	0.66	0.66	-	-	0.66
As at March 31, 2025					
Other financial liabilities	1.21	1.21	-	-	1.21

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Note 16
Ratios

SN.	Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Variance	Reasons for variance more than 25%
1	Current ratio	Current assets	Current liabilities	2.30	1.78	29%	Variance is on account of increase in other receivables
2	Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	0%	0%	0%	NA
3	Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	0%	0%	0%	NA

Note 17
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, 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 a peripheral application that supports the recording of procurement (hereinafter referred to as the "supporting software"). In respect of this application, which was implemented with effect from January 1, 2026, the audit trail (edit log) facility was not enabled throughout the period from the date of implementation to March 31, 2026.

3.Also, the Company used third-party operated software for procurement: Management has obtained the report of the Service Organisation Controls (SOC) auditors engaged by such third party for the period April 01, 2025 to December 31, 2025, along with a bridge letter for the balance period during 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.

Additionally, the Company has preserved the audit trail records in accordance with the statutory requirements for record retention, to the extent such audit trails were available in the respective systems.





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Note 18
Statutory Information

1 The Company does not have any transactions with companies struck off.
2 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
3 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
4 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).
5 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.
6 No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
7 There are no proceedings initiated or pending against the Company under Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

Note 19
Previous year figures have been regrouped and reclassified wherever required, to confirm the same with current year figures.

As per our report of even date
For V C Shah & Co
Chartered Accountants
ICAI Firm Registration No. 109818W

V C SHAH & CO CHARTERED ACCOUNTANTS

per Viral J. Shah
Partner
Membership No. 110120

Place: Mumbai
Date: April 30, 2026

For and on behalf of the Board of Directors
Nykaa Foundation

Sanjay Nayar
Director
DIN : 00002615

Place: Mumbai
Date: April 30, 2026

Adwaita Nayar
Director
DIN : 07931382

Place: Mumbai
Date: April 30, 2026

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