



FSN E-Commerce Ventures Limited

(formerly 'FSN E-Commerce Ventures Private Limited')

November 01, 2022

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

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

Symbol: NYKAA

Scrip Code: 543384

Dear Sirs,

Sub: Unaudited Standalone and Consolidated financial results for the quarter and half year ended September 30, 2022

In Continuation of our letter dated October 26, 2022, we wish to inform you that the Board of Directors of the Company, at its meeting held today i.e., November 01, 2022, has inter alia approved the Unaudited Standalone and Consolidated financial results for the quarter and half year ended September 30, 2022, along with the Limited Review Report of the Auditors on the Standalone and Consolidated financial results.

Pursuant to Regulation 33 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

1. Unaudited Standalone and Consolidated financial results for the quarter and half year ended September 30, 2022; and
2. Limited Review Report of the Auditors on the Standalone and Consolidated financial results.

The meeting of the Board of Directors commenced at 10:30 a.m. and is still continuing.

The Financial Results will be published in Newspapers as required under the Listing Regulation.

Kindly take the same on record.

Thanking You.

Yours faithfully,
For FSN E-Commerce Ventures Limited
(formerly 'FSN E-Commerce Ventures Private Limited')

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



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

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

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of FSN E-Commerce Ventures Limited (formerly known as 'FSN E-Commerce Ventures Private Limited') (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the entities as mentioned in Annexure to this Report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

6. The accompanying Statement includes the unaudited interim financial results and other unaudited financial information, in respect of:
- a. Six subsidiaries, whose unaudited interim financial results and other unaudited financial information include total assets of Rs 5,639.30 million as at September 30, 2022, total revenues of Rs 1,653.78 million and Rs 3,070.99 million, total net loss after tax of Rs (517.72) million and Rs (926.73) million, total comprehensive loss of Rs (516.75) million and Rs (926.22) million, for the quarter ended September 30, 2022, and for the period April 01 2022 to September 30, 2022 respectively, and net cash inflows of Rs 49.01 million for the period from April 1, 2022 to September 30, 2022, as considered in the Statement which have been reviewed by their respective independent auditors.
 - b. One associate, whose unaudited interim financial result include Group's share of net loss of Rs (4.64) million and Rs (11.41) million Group's share of total comprehensive loss of Rs (4.64) million and Rs (11.41) million for the quarter ended September 30, 2022 and for the period from April 1, 2022 to September 30, 2022 respectively, as considered in the Statement whose interim financial results/financial statements, other financial information have been reviewed by their independent auditors.

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

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number:101049W/E300004



Per Nilangshu Katriar
Partner

Membership Number: 058814
UDIN: 22058814BBPIYQ1333
Place of Signature: Mumbai
Date: November 01, 2022



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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

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

Sr. No.	Name of associate
1	Earth Rhythm Private Limited



FSN E-Commerce Ventures Limited (formerly known as FSN E-Commerce Ventures Private Limited)
CIN: L52600MH2012PLC230136
Regd. Office: 104, Vasan Udyog Bhavan, Sun Mill compound, Tulse Pipe Road, Lower Parel, Mumbai - 400013
Unaudited Consolidated Financial Results for the six months ended September 30, 2022

(Rs in million, except per share data)

Sr. No.	Particulars	Quarter ended			Half year ended		Year Ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	INCOME						
	Revenue from operations	12,308.29	11,484.21	8,852.64	23,792.50	17,022.55	37,739.35
	Other income	64.76	83.63	51.98	148.39	99.20	269.72
I	TOTAL INCOME	12,373.05	11,567.84	8,904.62	23,940.89	17,121.75	38,009.07
	EXPENSES						
	Cost of material consumed	222.51	232.97	179.32	455.48	408.69	843.12
	Purchase of traded goods	5,858.02	7,415.45	4,848.33	13,273.47	10,357.75	24,078.31
	Changes in inventories of finished goods and stock-in-trade	650.38	(1,263.00)	42.57	(612.62)	(842.90)	(3,621.28)
	Employee benefits expense	1,217.61	1,147.09	694.01	2,364.70	1,420.06	3,264.67
	Finance costs	203.56	150.63	113.49	354.19	203.63	465.11
	Depreciation and amortisation expense	385.02	310.12	213.08	695.14	408.05	964.13
	Other expenses	3,748.40	3,491.18	2,800.17	7,239.58	5,121.33	11,541.95
II	TOTAL EXPENSES	12,285.50	11,484.44	8,890.97	23,769.94	17,076.61	37,536.01
III	PROFIT BEFORE TAX (I - II)	87.55	83.40	13.65	170.95	45.14	473.06
	Tax expense:						
	Current tax	215.91	113.25	3.66	329.16	137.30	422.93
	Current tax pertaining to earlier years	-	-	-	-	-	23.46
	Deferred tax	(184.91)	(86.72)	(1.73)	(271.63)	(139.10)	(328.11)
	Deferred tax credit for unrecognised business loss of earlier years	-	-	-	-	-	(58.10)
IV	Total tax expense/(income)	31.00	26.53	1.93	57.53	(1.80)	60.18
V	NET PROFIT AFTER TAX (III - IV)	56.55	56.87	11.72	113.42	46.94	412.88
VI	Share in loss of associate	(4.64)	(6.77)	-	(11.41)	-	-
VII	NET PROFIT FOR THE PERIOD (V - VI)	51.91	50.10	11.72	102.01	46.94	412.88
	Other Comprehensive Income/(Loss) ("OCI")						
	Items that will not be reclassified to profit or loss						
	Remeasurements of defined benefit liability	5.49	(5.50)	0.72	(0.01)	16.44	32.72
	Income tax effect on above	(1.04)	1.39	(0.18)	0.35	(4.14)	(8.25)
	Fair valuation of investments measured through OCI	-	-	-	-	(12.92)	(13.19)
	Income tax effect on above	-	-	-	-	3.25	(6.25)
	Items that will be reclassified to profit or loss						
	Exchange differences in translating the financial statements of foreign operations, net	1.66	(0.15)	-	1.51	-	0.53
VIII	Total Other Comprehensive Income/(Loss)	6.11	(4.26)	0.54	1.85	2.63	5.56
IX	Total Comprehensive Income (VII+VIII)	58.02	45.84	12.26	103.86	49.57	418.44
X	Profit for the period attributable to:						
	Equity shareholders of parent	41.08	45.50	11.70	86.58	45.85	410.75
	Non-controlling interests	10.83	4.60	0.02	15.43	1.09	2.13
		51.91	50.10	11.72	102.01	46.94	412.88
XI	Other Comprehensive Income/(Loss) for the period attributable to:						
	Equity shareholders of parent	6.10	(4.26)	0.54	1.84	2.63	5.57
	Non-controlling interests	0.01	0.00	-	0.01	-	(0.01)
		6.11	(4.26)	0.54	1.85	2.63	5.56
XII	Total Comprehensive Income for the period attributable to:						
	Equity shareholders of parent	47.18	41.24	12.24	88.42	48.48	416.32
	Non-controlling interests	10.84	4.60	0.02	15.44	1.09	2.12
		58.02	45.84	12.26	103.86	49.57	418.44
XIII	Paid-up equity share capital	474.55	474.25	467.33	474.55	467.33	474.11
	Face value Re	1.00	1.00	1.00	1.00	1.00	1.00
XIV	Other Equity for the year						12,924.89
	Earnings per equity share face value of Re 1/- each (not annualised for the quarter and half-year ended September 30, 2022/September 30, 2021 and quarter ended June 30, 2022)						
	- Basic	0.09	0.10	0.03	0.18	0.10	0.88
	- Diluted	0.09	0.10	0.03	0.18	0.10	0.87



Notes:

1. The above Unaudited Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2022 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. These Unaudited Consolidated Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on October 31, 2022 and November 01, 2022 respectively.
2. During the previous year ended March 31, 2022, the Company had completed its Initial Public Offer (IPO) of 47,575,326 equity shares of face value of Re 1 each at an issue price of Rs. 1,125 per share (including a share premium of Rs. 1,124 per share). A discount of Rs. 100 per share was offered to eligible employees bidding in the employee's reservation portion of 250,000 equity shares. The issue comprised of a fresh issue of 5,602,666 equity shares aggregating to Rs. 6,300 million and offer for sale of 41,972,660 equity shares by selling shareholders aggregating to Rs. 47,197 million. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 10, 2021.

The total offer expenses of Rs 2,161.24 million (inclusive of taxes) are proportionately allocated between the selling shareholders and the Company in the proportion of equity shares sold by the selling shareholders and offered by the Company. The utilization of IPO proceeds of Rs. 6,045.72 million (net of IPO expenses of Rs. 254.28 million) is summarized below:

Particulars	Amount to be utilised as per prospectus	Utilisation upto September 30, 2022	Unutilised as on September 30, 2022
Investment in certain of our Subsidiaries, namely, FSN Brands and / or Nykaa Fashion for funding the set-up of new retail stores	420.00	76.73	343.27
Capital expenditure to be incurred by our Company and investment in certain of our Subsidiaries, namely, Nykaa E-Retail, FSN Brands and Nykaa Fashion for funding the set-up of new warehouses	420.00	159.41	260.59
Repayment or prepayment of outstanding borrowings availed by our Company and one of our Subsidiaries, namely, Nykaa E-Retail	1,560.00	1,560.00	-
Expenditure to acquire and retain customers by enhancing the visibility and awareness of our brands	2,340.00	2,330.00	10.00
General corporate purposes	1,305.72	1,295.52	10.20
Total	6,045.72	5,421.66	624.06

Net proceeds unutilized as of September 30, 2022 were temporarily invested in deposits with scheduled commercial banks and kept in current account with scheduled commercial banks and monitoring agency bank account.

3. The Group is engaged in the business of selling beauty, personal care, fashion products and other related products and services through various platforms and the Group's Chief Operating Decision Makers (CODM) review and allocate resources based on Omni business and Omni channel strategy, which constitutes a single reportable segment as per Ind AS 108 - 'Operating Segments'. Hence, no separate disclosure is required for segments.



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

(Rs in million)

Sr. No.	Particulars	Quarter ended			Half year ended		Year Ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Total Income	834.75	678.62	699.62	1,513.37	1,323.72	3,034.06
2	Profit before tax	128.04	113.45	232.53	241.49	484.89	1,216.92
3	Profit after tax	98.83	90.54	182.56	189.37	380.96	1,035.13

5. On May 04, 2022, the Company had acquired 18.51% stake in Earth Rhythm Private Limited (Earth Rhythm) for a consideration of Rs. 416.50 million. Accordingly, effective such date Earth Rhythm has become an associate of the Company and the same has been accounted provisionally as per equity method of accounting in the consolidated financial results in accordance with Ind AS 28 'Investment in associates and joint ventures'.
6. On May 24, 2022, Nykaa Fashion Private Limited (wholly owned subsidiary of the Company) had acquired the Brand "Kica" including Brand Trademark, other Intellectual Property Rights, etc. for Rs. 45.10 million. The same has been accounted under intangible assets.
7. On June 30, 2022, the Company has acquired 60% stake in Nudge Wellness Private Limited (Nudge) for a consideration of Rs. 36.00 million. Accordingly, effective such date Nudge has become a subsidiary of the Company. The Company is in the process of completing the Purchase Price Allocation (PPA) in accordance with Ind AS 103 Business Combinations. Accordingly, as on the acquisition date, it has recognized the group's share in the carrying amount of assets and liabilities of the subsidiary, Non-Controlling Interest (NCI), and goodwill of Rs. 0.73 million on a provisional basis.
8. On September 09, 2022, the Company has acquired 100% stake in Illuminar Media Private Limited (LBB) for a consideration of Rs. 292.75 million. Accordingly, effective such date LBB has become a wholly owned subsidiary of the Company. The Company is in the process of completing the Purchase Price Allocation (PPA) in accordance with Ind AS 103 Business Combinations. Accordingly, as on the acquisition date, it has recognized the carrying amount of assets and liabilities of the subsidiary and the excess of consideration over the net assets / (liabilities) has been recognized as goodwill of Rs. 312.30 million on a provisional basis.
9. The Board of Directors of the Company at its meeting held on October 6, 2022 has approved entering into Share Purchase cum Shareholders' Agreement ("Agreement") by FSN International Private Limited, a wholly owned subsidiary of the Company (hereinafter referred to as "FSN International") with Apparel Group, a global fashion and lifestyle retail conglomerate headquartered in the United Arab Emirates (UAE) (hereinafter referred to as "Apparel") for undertaking an omni-channel, multi branded beauty retail operation business in the countries that are part of the Gulf Cooperation Council (GCC) through an entity to be incorporated in the Abu Dhabi Global Market in which FSN International will hold 55% stake and balance 45% will be held by Apparel as on the Closing Date, in accordance with the terms of the Agreement.
10. The Board of Directors in their meeting held on October 03, 2022 has approved issue of bonus shares, in proportion of 5:1, i.e. 5 (five) bonus equity shares of Re 1 each for every 1 (one) fully paid-up equity share held as on the record date, subject to approval by the Members of the Company through Postal Ballot.



11 Statement of Assets and Liabilities:

(Rs in million)

Particulars	As at	As at
	September 30, 2022	March 31, 2022
	Unaudited	Audited
A ASSETS		
1 Non-current assets		
Property, plant and equipment	1,713.47	1,244.42
Right of use assets	4,069.36	2,473.26
Capital work-in-progress	108.64	97.64
Goodwill	789.04	474.78
Intangible assets	664.77	640.05
Intangible assets under development	246.38	147.31
Financial assets		
Investments	405.08	-
Other financial assets	889.82	718.79
Deferred tax assets (net)	1,424.09	1,152.18
Non current tax assets (net)	187.28	138.70
Other non-current assets	235.41	102.69
Total non-current assets	10,733.34	7,189.82
2 Current assets		
Inventories	9,332.37	8,756.21
Financial assets		
Trade receivables	1,263.57	945.33
Cash and cash equivalents	259.14	371.72
Bank balance other than cash and cash equivalents	1,353.82	2,298.71
Other financial assets	2,552.45	4,878.78
Other current assets	3,369.24	2,019.78
Total current assets	18,130.59	19,270.53
Total assets	28,863.93	26,460.35
B EQUITY AND LIABILITIES		
1 Equity		
Equity share capital	474.55	474.11
Other equity	13,138.20	12,924.89
Equity attributable to equity holders of the parent	13,612.75	13,399.00
Non-controlling interest	95.09	56.15
Total equity	13,707.84	13,455.15
2 Non-current liabilities		
Financial liabilities		
Borrowings	6.53	9.22
Lease liabilities	3,354.12	2,043.19
Other financial liabilities	1,280.33	1,222.26
Long term provisions	89.21	77.96
Total non-current liabilities	4,730.19	3,352.63
3 Current liabilities		
Financial liabilities		
Borrowings	4,862.24	3,321.12
Lease liabilities	844.52	552.70
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	228.37	560.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,559.62	3,059.84
Other financial liabilities	2,319.95	1,666.92
Short term provisions	97.10	88.66
Contract liabilities	258.81	160.41
Current tax liabilities	80.40	21.73
Other current liabilities	174.89	220.49
Total current liabilities	10,425.90	9,652.57
Total equity and liabilities	28,863.93	26,460.35



12 Statement of Cash Flows:

(Rs. in million)

Particulars	For the six months ended September 30, 2022	For the six months ended September 30, 2021
	Unaudited	Audited
Operating activities		
Profit before tax	170.95	45.14
Adjustments to reconcile loss before tax to net cash flows		
Depreciation of property, plant & equipment and right-of-use assets	619.33	348.94
Amortisation of intangible assets	75.81	59.11
Interest expense and other finance costs	354.19	203.63
Foreign exchange (gain)/loss	(7.28)	(7.95)
Share Based expense	63.62	57.59
Provision for Gratuity expense	19.94	14.25
Provision for Leave compensated expense	4.67	(7.94)
Expected credit loss	4.98	1.78
Liabilities no longer required written back	(2.06)	-
Interest income	(103.88)	(69.93)
Gain on closure of ROU	(3.95)	-
Operating profit before working capital changes	1,196.32	644.62
Working capital adjustments		
(Increase) in trade receivables	(323.22)	(178.17)
(Increase) in inventories	(576.16)	(1,004.95)
(Increase) in current financial asset	(956.46)	(202.18)
(Increase) in non-current financial assets	(115.50)	(16.29)
(Increase) in other current assets	(1,349.46)	(604.31)
(Increase) in other non-current assets	(5.00)	-
(Decrease) in trade payables	(1,783.72)	(373.13)
(Decrease) in provisions	(4.91)	(9.15)
Increase in current financial liabilities	847.22	279.72
(Decrease) in other current liabilities	(45.60)	(32.50)
Increase in Contract liability	98.40	-
Cash flows used in operating activities	(3,018.09)	(1,496.34)
Payment of taxes (net)	(319.07)	(519.45)
Net cash flows used in operating activities	(3,337.16)	(2,015.79)
Investing activities		
Purchase of property, plant and equipment and other intangible assets	(1,199.13)	(361.79)
Investment in associates	(416.49)	-
Investment in subsidiary (net off cash and cash equivalent from subsidiary)	(328.75)	(510.84)
Proceeds from/(Investment) in fixed deposits	4,090.69	(11.61)
Interest received	115.77	54.57
Net cash flows from/(used in) investing activities	2,262.09	(829.67)
Financing activities		
Proceeds from issue of equity shares / shares pending allotment including security premium (net of expenses)	119.81	2,509.10
Repayment of Non-Current borrowings (net)	(2.69)	-
Proceeds from Current borrowings (net)	1,541.12	1,649.04
Interest and other expenses on borrowings	(168.27)	(128.96)
Principal payment of lease liabilities	(349.49)	(222.42)
Interest expenses on lease liabilities	(177.99)	(73.73)
Net cash flows from financing activities	962.49	3,733.03
Net (decrease)/increase in cash and cash equivalents during the period	(112.58)	887.57
Cash and cash equivalents at the beginning of the period	371.72	835.82
Cash and cash equivalents at the end of the period	259.14	1,723.39



13 Previous period figures have been regrouped wherever found necessary, to conform to the current period classification.

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

Falguni Nayar

Falguni Nayar
Executive Chairperson, CEO & Managing Director
Mumbai, November 01, 2022



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

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of FSN E-Commerce Ventures Limited (formerly known as FSN E-Commerce Ventures Private Limited) (the "Company") for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


Per Nilangshu Katriar
Partner
Membership Number: 058814
UDIN: 22058814BBPVC5415
Place of Signature: Mumbai
Date: November 01, 2022



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

CIN: L52600MH2012PLC230136

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

Unaudited Financial Results for the six months ended September 30, 2022

(Rs in million, except per share data)

Sr. No.	Particulars	Quarter ended			Half year ended		Year Ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	INCOME						
	Revenue from operations	517.54	376.48	493.85	894.02	928.73	1,876.99
	Other income	317.21	302.14	205.77	619.35	394.99	1,157.07
I	TOTAL INCOME	834.75	678.62	699.62	1,513.37	1,323.72	3,034.06
	EXPENSES						
	Cost of material consumed	138.15	219.13	146.59	357.28	309.81	720.67
	Purchase of traded goods	14.53	28.58	36.38	43.11	48.38	193.99
	Changes in inventories of finished goods and stock-in-trade	48.27	(59.82)	(18.32)	(11.55)	(39.94)	(326.25)
	Employee benefits expense	91.88	91.48	55.95	183.36	113.35	287.93
	Finance costs	21.34	18.40	14.11	39.74	27.77	58.87
	Depreciation and amortisation expense	19.84	13.98	11.33	33.82	22.50	46.84
	Other expenses	372.70	253.42	221.05	626.12	356.96	835.09
II	TOTAL EXPENSES	706.71	565.17	467.09	1,271.88	838.83	1,817.14
III	PROFIT BEFORE TAX (I - II)	128.04	113.45	232.53	241.49	484.89	1,216.92
	Tax expense:						
	Current tax	7.94	13.26	-	21.20	-	43.91
	Current tax pertaining to earlier years	-	-	-	-	-	20.56
	Deferred tax	21.27	9.65	49.97	30.92	103.93	160.75
	Deferred tax credit for unrecognised business loss of earlier years	-	-	-	-	-	(43.43)
IV	Total tax expense	29.21	22.91	49.97	52.12	103.93	181.79
V	NET PROFIT AFTER TAX (III - IV)	98.83	90.54	182.56	189.37	380.96	1,035.13
	Other Comprehensive Income/(Loss) ("OCI")						
	Items that will not be reclassified to profit or loss						
	Remeasurements of defined benefit liability	(0.25)	(0.57)	0.72	(0.82)	2.13	0.51
	Income tax effect on above	0.07	0.14	(0.18)	0.21	(0.54)	(0.13)
	Fair valuation of investments measured through OCI	-	-	-	-	(12.92)	(13.19)
	Income tax effect on above	-	-	-	-	3.25	(6.25)
VI	Total Other Comprehensive Income/(Loss)	(0.18)	(0.43)	0.54	(0.61)	(8.08)	(19.06)
VII	Total Comprehensive Income (V+VI)	98.65	90.11	183.10	188.76	372.88	1,016.07
VIII	Paid-up equity share capital	474.55	474.25	467.33	474.55	467.33	474.11
	Face value Re	1.00	1.00	1.00	1.00	1.00	1.00
IX	Other Equity for the year						15,025.36
	Earnings per equity share face value of Re 1/- each (not annualised for the quarter and half-year ended September 30, 2022/September 30, 2021 and quarter ended June 30, 2022)						
	- Basic	0.21	0.19	0.40	0.40	0.83	2.22
	- Diluted	0.21	0.19	0.39	0.40	0.82	2.20



Notes:

1. The above Unaudited Standalone Financial Results of the Company for the quarter and half year ended September 30, 2022 have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended. These Unaudited Standalone Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on October 31, 2022 and November 01, 2022 respectively.
2. During the year ended March 31, 2022, the Company had completed its Initial Public Offer (IPO) of 47,575,326 equity shares of face value of Re 1 each at an issue price of Rs. 1,125 per share (including a share premium of Rs. 1,124 per share). A discount of Rs. 100 per share was offered to eligible employees bidding in the employee's reservation portion of 250,000 equity shares. The issue comprised of a fresh issue of 5,602,666 equity shares aggregating to Rs. 6,300 million and offer for sale of 41,972,660 equity shares by selling shareholders aggregating to Rs. 47,197 million. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 10, 2021.

The total offer expenses of Rs 2,161.24 million (inclusive of taxes) which are proportionately allocated between the selling shareholders and the Company in the proportion of equity shares sold by the selling shareholders and offered by the Company. The utilization of IPO proceeds of Rs. 6,045.72 million (net of IPO expenses of Rs. 254.28 million) is summarized below:

Particulars	Amount to be utilised as per prospectus	Utilisation upto September 30, 2022	Unutilised as on September 30, 2022
Investment in certain of our Subsidiaries, namely, FSN Brands and / or Nykaa Fashion for funding the set-up of new retail stores	420.00	76.73	343.27
Capital expenditure to be incurred by our Company and investment in certain of our Subsidiaries, namely, Nykaa E-Retail, FSN Brands and Nykaa Fashion for funding the set-up of new warehouses	420.00	159.41	260.59
Repayment or prepayment of outstanding borrowings availed by our Company and one of our Subsidiaries, namely, Nykaa E-Retail	1,560.00	1,560.00	-
Expenditure to acquire and retain customers by enhancing the visibility and awareness of our brands	2,340.00	2,330.00	10.00
General corporate purposes	1,305.72	1,295.52	10.20
Total	6,045.72	5,421.66	624.06

Net proceeds unutilised as at September 30, 2022 were temporarily invested in deposits with scheduled commercial banks and kept in current account with scheduled commercial banks and monitoring agency bank account.

3. The Company is engaged in the business of selling beauty, personal care products and other related products and services through various platforms and the Company's Chief Operating Decision Makers (CODM) review and allocate resources based on Omni business and Omni channel strategy, which constitutes a single reportable segment as per Ind AS 108 - 'Operating Segments'. Hence, no separate disclosure is required for segments.



4. Statement of Assets and Liabilities

(Rs in million)

Particulars	As at	As at
	September 30, 2022	March 31, 2022
	Unaudited	Audited
A ASSETS		
1 Non-current assets		
Property, plant and equipment	134.16	88.16
Right of use assets	122.89	67.11
Intangible assets	7.61	9.29
Financial assets		
Investments	4,589.87	3,794.80
Loans	2,144.00	3,019.76
Other financial assets	364.77	265.21
Deferred tax assets (net)	43.80	74.51
Non current tax assets (net)	113.29	68.81
Other non-current assets	12.11	1.62
Sub-total non-current assets	7,532.50	7,389.27
2 Current assets		
Inventories	659.12	725.45
Financial assets		
Trade receivables	235.62	206.53
Cash and cash equivalents	105.04	317.74
Bank balance other than cash and cash equivalents	745.10	1,885.53
Loans	5,994.44	2,060.75
Other financial assets	1,652.64	4,103.08
Other current assets	248.33	216.05
Sub-total current assets	9,640.29	9,515.13
TOTAL – ASSETS	17,172.79	16,904.40
B EQUITY AND LIABILITIES		
1 Equity		
Equity share capital	474.55	474.11
Other equity	15,397.28	15,025.36
Sub-total equity	15,871.83	15,499.47
2 Non-current liabilities		
Financial liabilities		
Lease liabilities	185.06	147.30
Other financial liabilities	242.40	242.40
Long term provisions	11.67	12.40
Sub-total non-current liabilities	439.13	402.10
3 Current liabilities		
Financial liabilities		
Borrowings	435.02	313.27
Lease liabilities	69.38	53.54
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	5.27	34.86
Total outstanding dues of creditors other than micro enterprises and small enterprises	9.13	131.30
Other financial liabilities	260.09	414.72
Short term provisions	16.18	16.62
Contract liabilities	2.08	2.26
Other current liabilities	64.68	36.26
Sub-total current liabilities	861.83	1,002.83
TOTAL – EQUITY AND LIABILITIES	17,172.79	16,904.40



5. Statement of Cash Flow

(Rs in million)

Particulars	For the six months ended September 30, 2022	For the six months ended September 30, 2021
	Unaudited	Audited
Operating activities		
Profit before tax	241.49	484.89
Adjustments to reconcile loss before tax to net cash flows		
Depreciation of property, plant & equipment	29.05	17.67
Amortisation of intangible assets	4.77	4.83
Interest expense and other finance costs	39.74	27.77
Foreign exchange loss/ (gain)	0.12	(1.13)
Share Based expense	13.90	12.94
Provision for Gratuity expense	2.67	(1.25)
Provision for Leave compensated expense	(0.34)	2.87
Expected credit loss	1.71	-
Commission on financial guarantee	(24.20)	(37.48)
Interest income	(341.16)	(173.38)
Operating (loss)/ profit before working capital changes	(32.25)	337.73
Working capital adjustments		
(Increase)/ Decrease in trade receivables	(30.80)	313.01
Decrease/ (Increase) in inventories	66.31	(69.20)
(Increase) in current financial asset	(34.15)	(586.35)
Decrease in non-current financial assets	18.61	15.57
(Increase) in other current assets	(32.28)	(17.81)
(Decrease)/ Increase in trade payables	(151.93)	32.87
(Decrease) in provisions	(4.32)	(2.33)
(Decrease) in current financial liabilities	(138.01)	(26.86)
Increase/ (Decrease) in other current liabilities	28.24	(56.91)
Cash flows (used in) operating activities	(310.58)	(60.28)
Payment of taxes (net)	(65.68)	(41.61)
Net cash flows (used in) operating activities	(376.26)	(101.89)
Investing activities		
Purchase of Property, Plant and Equipment and other intangible assets	(68.01)	(13.45)
Redemption of /(Investment in) fixed deposits	3,474.00	(11.61)
Investment in subsidiaries	(328.75)	(2,269.10)
Investment in associate	(416.50)	-
(Loans to subsidiaries)/ Repayment from subsidiaries	(3,057.93)	127.99
Interest received from fixed deposit/ loan to subsidiaries	368.81	162.36
Net cash flows (used in) investing activities	(28.38)	(2,003.81)
Financing activities		
Proceeds from issue of equity shares/ shares pending allotment including security premium (net off expenses)	119.89	2,509.10
Proceeds from Current borrowings (net)	121.75	258.36
Interest paid on borrowings	(25.97)	(17.76)
Rental income on sub lease	21.33	32.91
Principal payment of lease liabilities	(33.01)	(57.81)
Interest payment on lease liabilities	(12.05)	(10.02)
Net cash flows from financing activities	191.94	2,714.78
Net (decrease)/ increase in cash and cash equivalents during the period	(212.70)	609.08
Cash and cash equivalents at the beginning of the period	317.74	312.83
Cash and cash equivalents at the end of the period	105.04	921.91



6. On May 04, 2022, the Company has acquired 18.51% stake in Earth Rhythm Private Limited for a consideration of Rs. 416.50 million.
7. On June 30, 2022, the Company has acquired 60% stake (with a right to go upto 100%) in Nudge Wellness Private Limited (Nudge), for a consideration of Rs. 36.00 million.
8. On September 09, 2022, the Company has acquired 100% stake in Illuminar Media Private Limited (LBB) for a consideration of Rs. 292.75 million.
9. The Board of Directors in their meeting held on October 03, 2022 has approved issue of bonus shares, in proportion of 5:1, i.e. 5 (five) bonus equity shares of Re 1 each for every 1 (one) fully paid-up equity share held as on the record date, subject to approval by the Members of the Company through Postal Ballot.
10. Previous period figures have been regrouped wherever found necessary, to conform to current period classification.

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

Falguni Nayar

Falguni Nayar
Executive Chairperson, CEO & Managing Director
Mumbai, November 01, 2022

