



## FSN E-Commerce Ventures Limited

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

January 10, 2022

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

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

Symbol: NYKAA

Scrip Code: 543384

Dear Sirs,

**Sub: Intimation regarding Dispatch of Notice of Postal Ballot – Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

Pursuant to Regulation 30 of the SEBI Listing Regulations, we hereby submit the postal ballot notice (“Notice”) along with the explanatory statement issued/sent to the Shareholders of the Company, for the following matters:

Item No.	Description of Special Resolution
1	Approval of Article 114(a) and Article 134 of the Articles of Association of the Company
2	Ratification of the Employee Stock Option Scheme – 2012 of the Company
3	Ratification to extend benefits of Employee Stock Option Scheme - 2012 to the employees of the subsidiary companies of the Company
4	Ratification of the FSN Employees Stock Option Scheme – 2017 of the Company
5	Ratification to extend benefits of FSN Employees Stock Option Scheme 2017 to the employees of the subsidiary companies of the Company

In accordance with applicable laws and circulars issued by Ministry of Corporate Affairs, Securities Exchange Board of India, the said Notice is being sent electronically to all the Members whose names appear in the Register of Members / List of Beneficial Owners and whose e-mail IDs are registered with the Company / Link Intime India Private Limited (“RTA”) / Depositories as on Friday, December 31, 2021 (“Cut-Off Date”).

This Notice is also available on the website of the Company i.e. [www.nykaa.com](http://www.nykaa.com) and the Company's RTA i.e. <https://instavote.linkintime.co.in>

The remote e-voting period shall commence on Tuesday, January 11, 2022 at 09:00 A.M. (IST) and ends on Wednesday, February 09, 2022 at 05:00 P.M. (IST). The results of the voting shall be declared on or before Friday, February 11, 2022.

We request you to take the same on your 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





## FSN E-Commerce Ventures Limited

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

### **POSTAL BALLOT NOTICE**

(Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

Dear Member(s),

**NOTICE** is hereby given pursuant to Section 108 and 110 of the Companies Act, 2013, as amended (hereinafter referred to as the 'Act') read together with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), General Circular Nos. 20/2021, 10/2021, 39/2020, 33/2020, 22/2020, 17/2020 and 14/2020 dated December 8, 2021, June 23, 2021, December 31, 2020, September 28, 2020, June 15, 2020, April 13, 2020 and April 8, 2020, respectively, issued by the Ministry of Corporate Affairs, Government of India ('MCA Circulars'), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'SEBI Listing Regulations') and other applicable laws and regulations, for seeking approval of Members of FSN E-Commerce Ventures Limited (the 'Company') to the proposed resolutions appended below through Postal Ballot, only through remote voting by electronic means ('remote e-Voting').

The Board of Directors has appointed Mr. Sachin Sharma (Membership No. 46900/CP. No. 20423), Designated Partner, M/s. S. Anantha & Ved LLP (LLPIN:AAH-8229), Company Secretaries, Mumbai or failing him Mr. Dinesh Trivedi (Membership No. 23841/CP. No. 22407), Designated Partner, M/s. S. Anantha & Ved LLP, (LLPIN:AAH-8229), Company Secretaries, Mumbai as Scrutinizer for conducting the Postal Ballot, through the e-voting process, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

The Company has engaged the services of Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company ('LI IPL') as the agency to provide e-voting facility.

The Scrutinizer will submit his report, after the completion of scrutiny, to the Executive Chairperson, Managing Director and CEO of the Company or any person authorized by her. The results of e-voting will be announced on or before Friday, February 11, 2022, and will be displayed on the Company's website [www.nykaa.com](http://www.nykaa.com) and will also be communicated to the Stock Exchanges where the equity shares of the Company are listed, National Securities Depository Limited ('NSDL')/Central Depository Services (India) Limited ('CDSL') and LI IPL. The Company will also display the results of the Postal Ballot at its Registered Office.

### **SPECIAL BUSINESS**

#### **1. Approval of Article 114(a) and Article 134 of the Articles of Association of the Company**

**To consider and, if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013, and rules made thereunder, including the Companies (Incorporation) Rules, 2014, if any (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in order to align the Articles of Association with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and the Securities Contracts (Regulation) Rules, 1957, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, and other applicable laws, rules and regulations, guidelines (including any statutory modification(s) thereof for the time being in force) and subject to the necessary approvals required, of the Registrar of Companies ("ROC"), and further subject to such other terms, conditions, stipulations, alterations, amendments or modifications as may be required, specified or suggested by the ROC, and the Articles of Association of the Company, the consent and approval of the Shareholders of the Company be and is hereby accorded to the Article 114(a) and Article 134 under Part B of existing set of the Articles of Association of the Company, as reproduced below:



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**Article 114(a):**

*With effect from the date of receipt of final listing and trading approvals from the stock exchanges on which the equity shares of the Company are proposed to be listed, following an initial public offering of the equity shares of the Company and, subject to the approval of the Shareholders through a special resolution passed in the first general meeting held after receipt of such listing and trading approvals, (i) as long as Ms. Falguni Nayar, Mr. Sanjay Nayar, the Falguni Nayar Family Trust and the Sanjay Nayar Family Trust and their respective promoter group continue to hold at least in excess of 25% of the paid-up equity share capital of the Company, Ms. Falguni Nayar, Mr. Sanjay Nayar, the Falguni Nayar Family Trust and the Sanjay Nayar Family Trust shall, collectively, have the right to nominate up to 50% of the number of Directors to the Board subject, to compliance with applicable law; and (ii) as long as any of Ms. Falguni Nayar, Mr. Sanjay Nayar, the Falguni Nayar Family Trust and the Sanjay Nayar Family Trust continue to be classified as promoters of the Company, such promoters shall, collectively, have the right to nominate up to 1/3<sup>rd</sup> of the number of Directors to the Board (rounded up to the higher integer), subject to compliance with applicable law.*

**Article 134:**

*With effect from the date of receipt of final listing and trading approvals from the stock exchanges on which the equity shares of the Company are proposed to be listed, following an initial public offering of the equity shares of the Company, and subject to the approval of the Shareholders through a special resolution passed in the first general meeting held after receipt of such listing and trading approvals, as long as any of Ms. Falguni Nayar, Mr. Sanjay Nayar, the Falguni Nayar Family Trust and the Sanjay Nayar Family Trust continue to be classified as promoters of the Company, such promoters shall, collectively, have the right to nominate the Chairperson of the Board.*

**RESOLVED FURTHER THAT**, any Director of the Company, Mr. Arvind Agarwal, Chief Financial Officer and Mr. Rajendra Punde, Company Secretary, be and are hereby jointly or severally authorised to issue certified true copies of these resolutions to various authorities and to file necessary forms with the Registrar of Companies, Maharashtra at Mumbai, and do all such acts, deeds, matters and things as may be required to be done to give effect to the afore-said resolution.”

**2. Ratification of the Employee Stock Option Scheme – 2012 of the Company**

**To consider and, if thought fit, to pass the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 62(l)(b) read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof (“Act”), Regulation 12 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEBSE) Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR”) Regulations”), the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the **Employee Stock Option Scheme – 2012** (“ESOS 2012”) as originally approved by the shareholders/members of the Company on 31<sup>st</sup> May 2012 and as amended on November 26, 2019, April 21, 2020, July 16, 2021 and September 30, 2021, prior to the initial public offer of the Shares of the Company, be and is hereby ratified within the meaning of SEBI (SBEBSE) Regulations and the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination & Remuneration Committee of the Company (“NRC”), which also acts as the Compensation Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) to create, offer, issue, reissue, grant, transfer and allot at any time to or for the benefits of the employee(s) /directors of the Company (as may be permitted under applicable laws) in terms of the ESOS 2012, equity shares on exercise of options, issue fresh options, re-issue options that may have lapsed/cancelled/surrendered, already approved under the ESOS 2012.



**RESOLVED FURTHER THAT** the Board or any Committee thereof as per powers delegated to it be and is hereby authorised to facilitate the allotment of the equity shares from **Employee Stock Option Scheme – 2012** upon exercise of options from time to time in accordance with the ESOS 2012 and the shares so allotted shall rank pari passu in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, without prejudice to the generality of the above, but subject to the terms, as approved by the members to implement, formulate, evolve, decide upon and bring into effect the ESOS 2012 on such terms and conditions as broadly contained in the explanatory statement and to make any further modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOS 2012 (within the contours of the ESOS 2012), from time to time, including but not limited to, amendment(s) with respect to vesting conditions, period and schedule, exercise price, exercise period, performance/ eligibility criteria for grant/ vesting or to suspend, withdraw, terminate or revise the ESOS 2012 in such a manner as the Board or any other person authorized by the Board may determine.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organisation etc. requisite adjustments (which may include adjustments to the number of options in ESOS 2012) shall be appropriately made, in a fair and reasonable manner in accordance with ESOS 2012.

**RESOLVED FURTHER THAT** any Director of the Company, Mr. Arvind Agarwal, Chief Financial Officer and Mr. Rajendra Punde, Company Secretary, be and are hereby severally authorized on behalf of the Company to sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as they may in their absolute discretion deem fit or necessary or desirable for such purpose, and make all necessary filings including but not limited to making applications to any regulatory/ governmental authority/ third parties, as may be required, and to the Stock Exchanges to seek their in-principle and final approval for the listing and trading of equity shares allotted pursuant to ESOS 2012, in accordance with the provisions of SEBI (SBEBSE) Regulations/SEBI (LODR) Regulations, applicable provisions under the Act and the rules framed thereunder and other applicable laws, and to do all such acts, deeds, matters and things as may be required to be done to give effect to the afore-said resolution and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

**3. Ratification to extend benefits of Employee Stock Option Scheme - 2012 to the employees of the subsidiary companies of the Company**

**To consider and, if thought fit, to pass the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 62(l)(b) read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof (“Act”), Regulation 12 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI (SBEBSE) Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”), the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory guidelines/ circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), and in ratification of the earlier resolutions passed by the shareholders of the Company on 31<sup>st</sup> May, 2012 and as amended on November 26, 2019, April 21, 2020, July 16, 2021 and September 30, 2021, prior to the initial public offer of the Shares of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination & Remuneration Committee of the Company (“NRC”), which also acts as the Compensation Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) to create, offer, issue, reissue, grant, transfer and allot at any time to or for the benefits of the Employees (as defined in Employee Stock Option Scheme – 2012 (“ESOS 2012”)) of the existing or future subsidiary company(ies) of the Company in terms of the ESOS 2012, equity shares on



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exercise of options, issue fresh options, re-issue options that may have lapsed/cancelled/surrendered, already approved under the ESOS 2012.

**RESOLVED FURTHER THAT** the Board or any Committee thereof as per powers delegated to it be and is hereby authorised to facilitate the allotment of the equity shares from ESOS 2012 upon exercise of options from time to time in accordance with the ESOS 2012 and the shares so allotted shall rank pari passu in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, without prejudice to the generality of the above, but subject to the terms, as approved by the members to implement, formulate, evolve, decide upon and bring into effect the ESOS 2012 on such terms and conditions as broadly contained in the explanatory statement and to make any further modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOS 2012 (within the contours of the ESOS 2012), from time to time, including but not limited to, amendment(s) with respect to vesting conditions, period and schedule, exercise price, exercise period, performance/ eligibility criteria for grant/ vesting or to suspend, withdraw, terminate or revise the ESOS 2012 in such manner as the Board or any other person authorized by the Board may determine.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organisation etc. requisite adjustments (which may include adjustments to the number of options in ESOS 2012) shall be appropriately made, in a fair and reasonable manner in accordance with ESOS 2012.

**RESOLVED FURTHER THAT** any Director of the Company, Mr. Arvind Agarwal - Chief Financial Officer and Mr. Rajendra Punde - Company Secretary, be and are hereby severally authorized on behalf of the Company to sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as they may in their absolute discretion deem fit or necessary or desirable for such purpose, and make all necessary filings including but not limited to making applications to any regulatory/ governmental authority/ third parties, as may be required, and to the Stock Exchanges to seek their in-principle and final approval for the listing and trading of equity shares allotted pursuant to ESOS 2012, in accordance with the provisions of SEBI (SBEBS) Regulations/SEBI (LODR) Regulations, applicable provisions under the Act and the rules framed thereunder and other applicable laws, and to do all such acts, deeds, matters and things as may be required to be done to give effect to the afore-said resolution and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

#### 4. Ratification of the FSN Employees Stock Option Scheme – 2017 of the Company

**To consider and, if thought fit, to pass the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 62(l)(b) read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof ("Act"), Regulation 12 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEBS) Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"), the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory guidelines/ circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the **FSN Employees Stock Option Scheme – 2017** ("ESOS 2017") as originally approved by the shareholders/members of the Company on 10<sup>th</sup> October 2017 and as amended on November 26, 2019, April 21, 2020, July 16, 2021 and September 30, 2021, prior to the initial public offer of the Shares of the Company, be and is hereby ratified within the meaning of SEBI (SBEBS) Regulations and the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination & Remuneration Committee of the Company ("NRC"), which also acts as the Compensation Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) to create, offer, issue, reissue, grant,



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transfer and allot at any time to or for the benefits of the employee(s) /directors of the Company (as may be permitted under applicable laws) in terms of the ESOS 2017, equity shares on exercise of options, issue fresh options, re-issue options that may have lapsed/cancelled/surrendered, already approved under the ESOS 2017.

**RESOLVED FURTHER THAT** the Board or any Committee thereof as per powers delegated to it be and is hereby authorised to facilitate the allotment of the equity shares from ESOS 2017 upon exercise of options from time to time in accordance with the ESOS 2017 and the shares so allotted shall rank pari passu in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, without prejudice to the generality of the above, but subject to the terms, as approved by the members to implement, formulate, evolve, decide upon and bring into effect the ESOS 2017 on such terms and conditions as broadly contained in the explanatory statement and to make any further modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOS 2017 (within the contours of the ESOS 2017), from time to time, including but not limited to, amendment(s) with respect to vesting conditions, period and schedule, exercise price, exercise period, performance/ eligibility criteria for grant/ vesting or to suspend, withdraw, terminate or revise the ESOS 2017 in such manner as the Board or any other person authorized by the Board may determine.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organisation etc. requisite adjustments (which may include adjustments to the number of options in ESOS 2017) shall be appropriately made, in a fair and reasonable manner in accordance with ESOS 2017.

**RESOLVED FURTHER THAT** any Director of the Company, Mr. Arvind Agarwal - Chief Financial Officer and Mr. Rajendra Punde - Company Secretary, be and are hereby severally authorized on behalf of the Company to sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as they may in their absolute discretion deem fit or necessary or desirable for such purpose, and make all necessary filings including but not limited to making applications to any regulatory/ governmental authority/ third parties, as may be required, and to the Stock Exchanges to seek their in-principle and final approval for the listing and trading of equity shares allotted pursuant to ESOS 2017, in accordance with the provisions of SEBI (SBEBSE) Regulations/SEBI (LODR) Regulations, applicable provisions under the Act and the rules framed thereunder and other applicable laws, and to do all such acts, deeds, matters and things as may be required to be done to give effect to the afore-said resolution and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

**5. Ratification to extend benefits of FSN Employees Stock Option Scheme 2017 to the employees of the subsidiary companies of the Company**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 62(l)(b) read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof ("Act"), Regulation 12 and all other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2011 ("SEBI (SBEBSE) Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"), the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), and in ratification of the earlier resolutions passed by the shareholders of the Company on 10<sup>th</sup> October 2017 and as amended on November 26, 2019, April 21, 2020, July 16, 2021 and 30<sup>th</sup> September, 2021, prior to the initial public offer of the Shares of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination & Remuneration Committee of the Company ("NRC"), which also acts as the Compensation Committee constituted by the Board to exercise its powers,



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## FSN E-Commerce Ventures Limited

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

including the powers. conferred by this resolution) to create, offer, issue, reissue, grant, transfer and allot at any time to or for the benefits of the Employees ( as defined in FSN Employees Stock Option Scheme – 2017 ("ESOS 2017") of the existing or future subsidiary company(ies) of the Company in terms of the ESOS 2017, equity shares on exercise of options, issue fresh options, re-issue options that may have lapsed/cancelled/surrendered, already approved under the ESOS 2017.

**RESOLVED FURTHER THAT** the Board or any Committee thereof as per powers delegated to it be and is hereby authorised to facilitate the allotment of the equity shares from ESOS 2017 upon exercise of options from time to time in accordance with the ESOS 2017 and the shares so allotted shall rank pari passu in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, without prejudice to the generality of the above, but subject to the terms, as approved by the members to implement, formulate, evolve, decide upon and bring into effect the ESOS 2017 on such terms and conditions as broadly contained in the explanatory statement and to make any further modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOS 2017 (within the contours of the ESOS 2017), from time to time, including but not limited to, amendment(s) with respect to vesting conditions, period and schedule, exercise price, exercise period, performance/ eligibility criteria for grant/ vesting or to suspend, withdraw, terminate or revise the ESOS 2017 in such manner as the Board or any other person authorized by the Board may determine.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organisation etc. requisite adjustments (which may include adjustments to the number of options in ESOS 2017) shall be appropriately made, in a fair and reasonable manner in accordance with ESOS 2017.

**RESOLVED FURTHER THAT** any Director of the Company, Mr. Arvind Agarwal - Chief Financial Officer and Mr. Rajendra Punde - Company Secretary, be and are hereby severally authorized on behalf of the Company to sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as they may in their absolute discretion deem fit or necessary or desirable for such purpose, and make all necessary filings including but not limited to making applications to any regulatory/ governmental authority/ third parties, as may be required, and to the Stock Exchanges to seek their in-principle and final approval for the listing and trading of equity shares allotted pursuant to ESOS 2017, in accordance with the provisions of SEBI (SBEBSE) Regulations/SEBI (LODR) Regulations, applicable provisions under the Act and the rules framed thereunder and other applicable laws, and to do all such acts, deeds, matters and things as may be required to be done to give effect to the afore-said resolution and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

Date : January 10, 2022

Place : Mumbai

CIN: L52600MH2012PLC230136

**Registered Office:**

104, Vasan Udyog Bhavan,  
Sun Mill Compound, Tulsi Pipe Road,  
Lower Parel, Mumbai - 400013, Maharashtra  
**Email id :** nykaacompanysecretary@nykaa.com  
**Website :** [www.nykaa.com](http://www.nykaa.com)  
Tel No: +91 22 6614 9696

By the Order of the Board of Directors of  
FSN E-Commerce Ventures Limited  
(Formerly FSN E-Commerce Ventures Pvt. Ltd.)

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





## FSN E-Commerce Ventures Limited

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

### NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. The Board of Directors has appointed Mr. Sachin Sharma (Membership No. 46900/CP. No. 20423), Designated Partner, M/s. S. Anantha & Ved LLP (LLPIN:AAH-8229), Company Secretaries, Mumbai or failing him Mr. Dinesh Trivedi (Membership No. 23841/CP. No. 22407), Designated Partner, M/s. S. Anantha & Ved LLP, (LLPIN:AAH-8229), Company Secretaries, Mumbai as a Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
3. The Postal Ballot Notice is being sent only by e-mail to those members who have registered their e-mail address with their Depository Participant(s) ('DPs') or with Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company ('LI IPL') and whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ('NSDL')/Central Depository Services (India) Limited ('CDSL') as on Friday, December 31, 2021 ('Cut-off date') in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and, General Circular Nos. 20/2021, 10/2021, 39/2020, 33/2020, 22/2020, 17/2020 and 14/2020 dated December 8, 2021, June 23, 2021, December 31, 2020, September 28, 2020, June 15, 2020, April 13, 2020 and April 8, 2020, respectively, issued by the Ministry of Corporate Affairs, Government of India ('MCA Circulars'). In accordance with the aforesaid MCA Circulars, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot.

The communication of the assent or dissent of the Members would take place through the process of remote e-Voting only.

A person who is not a Member as on the cut-off date should treat this Notice of Postal Ballot for information purpose only.

4. Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date.
5. In terms of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, as amended, read together with the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'SEBI Listing Regulations') read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, SS-2 and amendments thereto, the Company is pleased to offer remote e-Voting facility to all the Members of the Company. The Company has appointed Link Intime India Private Limited for facilitating e-Voting to enable the Members to cast their votes electronically (hereinafter referred to as the 'remote e-Voting'). The instructions for e-voting are provided as part of this Postal Ballot Notice which the members are requested to read carefully before casting their vote.
6. All documents referred to in this Postal Ballot Notice will be open/available for inspection through electronic mode by the Members of the Company during working hours on all working days except Saturdays upto and including the last day for remote e-Voting i.e. Wednesday, February 09, 2022. Any member seeking to inspect can send an e-mail to [nykaacompanysecretary@nykaa.com](mailto:nykaacompanysecretary@nykaa.com) with subject line "Inspection of Documents."
7. The Notice of Postal Ballot is also placed on the website of the Company i.e. [www.nykaa.com](http://www.nykaa.com) and the website of LI IPL i.e. <https://instavote.linkintime.co.in> and at the relevant sections of the websites of the stock exchanges on which the shares of the Company are listed i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).
8. **Procedure for registering the e-mail addresses for obtaining the Notice of Postal ballot and remote e-Voting instructions by the Members whose e-mail addresses are not registered with the DPs (in case**



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**of Members holding shares in demat form) or with LIPL (in case of Members holding shares in physical form)**

Those persons who are Members of the Company as on Cut-off date i.e. Friday, December 31, 2021 and who have not yet registered their e-mail addresses are requested to get their e-mail addresses registered by following the procedure given below:

**i. For Temporary Registration for Demat shareholders:**

The Members of the Company holding equity shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Private Limited by clicking the link in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E-mail Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to LIPL at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

**ii. For Permanent Registration for Demat shareholders:**

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective DP by following the procedure prescribed by the DP.

**iii. Registration of e-mail address for shareholders holding physical shares:**

The Members of the Company holding equity shares of the Company in physical form and who have not registered their e-mail addresses may get their e-mail addresses registered with LIPL, by clicking the link: [www.linkintime.co.in](http://www.linkintime.co.in) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the e-mail Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail id and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). In case of any query, a member may send an e-mail to LIPL at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

9. The **remote** e-Voting period will commence on **Tuesday, January 11, 2022** (09:00 a.m. IST) and end on **Wednesday, February 09, 2022** (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Friday, December 31, 2021** may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by LIPL for voting thereafter. Once the vote on resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

10. The **instructions** and other information relating to e-Voting are as under:

**Login method for Individual shareholders holding securities in demat mode is given below:****i. Individual Shareholders holding securities in demat mode with NSDL**

- a. 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



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will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

- b. 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>
  - c. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.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 name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
- ii. Individual Shareholders holding securities in demat mode with CDSL
    - a. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to log in to Easi/Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
    - b. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
    - c. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
    - d. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
  - iii. Individual Shareholders (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 name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

**Login method for Individual shareholders holding securities in physical form is given below:**

Individual Shareholders of the Company, holding shares in physical form as on the cut-off date for e-Voting may register for e-Voting facility of Link Intime as under:

- i. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- ii. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
  - a. **User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.



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- b. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
- c. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
- d. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders/ members holding shares in physical form but have not recorded 'c' and 'd', shall provide their Folio number in 'd' above*

- iii. Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- iv. Click "confirm" (Your password is now generated).
- v. Click on 'Login' under '**SHARE HOLDER**' tab.
- vi. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

**Cast your vote electronically:**

- i. After successful login, you will be able to see the notification for e-Voting. Select '**View**' icon.
- ii. e -Voting page will appear.
- iii. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- iv. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

**Guidelines for Institutional shareholders:**

Institutional shareholders (i.e.other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-Voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 49186000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk_evoting@cdslindia.com">helpdesk_evoting@cdslindia.com</a> or contact at 022- 23058738 or 22- 23058542-43.



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**Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- i. Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- ii. Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT"

*In case shareholders is having valid e-mail address, password will be sent to his / her registered email address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
  - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event"
11. 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 of the e-Voting, and the results of the voting by Postal Ballot will be announced on or before **Friday, February 11, 2022**.
  12. The voting results along with the Scrutiniser's Report will be displayed at the Registered Office of the Company, communicated to the Stock Exchanges viz. BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and additionally be uploaded on the Company's website: [www.nykaa.com](http://www.nykaa.com) and on the website of LIPL: <https://instavote.linkintime.co.in>.
  13. Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a general meeting of the Members convened in that behalf. The resolution, if approved by the requisite majority of members by means of Postal Ballot, shall be deemed to have been passed on the last day of e-voting i.e. **Wednesday, February 09, 2022**.

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE****Item No. 1**

During the listing of initial public offer of the equity shares of the Company by way of a fresh issuance of Equity Shares of the Company ("**Fresh Issue**") and/or an offer for sale of such number of Equity Shares by some of the existing and eligible shareholders ("**Selling Shareholders**") of the Company, the Company was required to ensure that the Articles of Association of the Company ("**AoA**") conform to the requirements prescribed by the Securities and Exchange Board of India ("**SEBI**") and the relevant stock exchanges.





## FSN E-Commerce Ventures Limited

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

The Shareholders of the Company in their extra-ordinary general meeting held on September 30, 2021, have approved the latest AoA.

Pursuant to the provisions contained in Article 114(a) and Article 134 of the AoA, following the initial public offering of the equity shares of the Company and after the date of receipt of final listing and trading approvals from the stock exchanges on which the equity shares of the Company are listed, approval of shareholders of the Company is required by way of special resolution in the first general meeting held after receipt of such listing and trading approvals for confirming the certain rights of the Promoters as contained in the Article 114(a) and Article 134 of the AoA, reproduced in the resolution set out at Item No. 1 of the accompanying Postal Ballot Notice ('Notice').

As the equity shares of the Company have been listed on the National Stock Exchange of India Limited and BSE Limited with effect from November 10, 2021, therefore the Board of Directors of the Company have decided to seek Shareholders' approval for Article 114(a) and Article 134 of the AoA by way of special resolution. Further if the resolution is assented to by the requisite majority of the shareholders, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

Copy of AoA will be open for inspection through electronic mode during the working hours of the Company on all working day up to the last date of the e-voting.

The Board recommends the resolution set out at Item No.1 of the Notice for your approval as a Special Resolution.

Save and except Ms. Falguni Nayar and Mr. Sanjay Nayar and their relatives (to the extent of their shareholding in the Company), none of the other Directors, key managerial personnel and relatives of Directors and/or key managerial personnel (as defined in the Companies Act, 2013) are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding in the Company.

### **Item No. 2 & 3**

In order to reward and retain the employees of the Company and to create a sense of ownership and participation amongst them, the shareholders of the Company had in their meeting held on 31<sup>st</sup> May, 2012 approved Employee Stock Option Scheme – 2012' (hereinafter referred to as the "ESOS 2012"), duly amended on November 26, 2019, April 21, 2020 and July 16, 2021. Subsequently in the extra-ordinary general meeting held on 30<sup>th</sup> September, 2021 Shareholders' approval was obtained for further amendment of ESOS 2012 to ensure conformity with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations").

In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations"), no company shall make any fresh grant of employee stock options which involves allotment or transfer of shares to its employees under any scheme formulated prior to its Initial Public Offering ("IPO") and prior to the listing of its equity shares ("Pre- IPO Scheme") unless (i) such Pre IPO Scheme is in conformity with the SEBI SBEBSE Regulations; and (ii) such Pre IPO Scheme is ratified by its shareholders subsequent to the IPO.

Further, as per proviso to Regulations 12(1) of SEBI SBEB Regulations, the ratification under clause (ii) may be done any time prior to grant of new options or shares under such Pre – IPO Schemes.

Considering that the Company came out with an IPO of its equity shares and got listed on the BSE Limited and the National Stock Exchange of India Limited with effect from November 10, 2021, the Company's ESOS 2012 is required to be ratified by the Shareholders of the Company in terms of the Regulations 12(1) of the SEBI SBEBSE Regulations, for making any fresh grants under ESOS 2012. Accordingly, the same is referred to the Shareholders for their ratification in terms Regulations 12(1) and other applicable provisions of the SEBI SBEBSE Regulations. ESOS 2012 is in conformity with SEBI SBEBSE Regulations and the Company has not granted any fresh grant of options to employees as on date after the IPO of the Company.

Particulars as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and disclosures required under SEBI SBEBSE Regulations (as amended from time to time) are given below:



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**1. Brief description of the ESOS 2012:**

The Scheme is called Employee Stock Option Scheme – 2012.

The objective of the ESOS 2012 is to retain talent and align the interest of the Employees with the Company as well as to motivate them to contribute to its growth and profitability. The Company views employee stock options as instruments that would enable the Employees to share the value they create for the Company in the years to come.

After vesting of the option, the grantee has a right (but not an obligation) to exercise the vested employee stock options within exercise period and obtain equity shares of the Company, subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

ESOS 2012 is managed and administered under the direction of the Board by Nomination and Remuneration Committee (herein after referred as 'NRC/ Compensation Committee').

**2. Total number of options to be granted under ESOS 2012:**

The maximum number of options that may be granted pursuant to this ESOS 2012 shall not exceed 2,40,00,000 (Two Crore Forty Lakhs) options.

The Company prior to its Initial Public Offer had already granted 2,43,64,990 (Two Crore Forty-Three Lakhs Sixty-Four Thousand Nine Hundred and Ninety) options (which includes re-issued options).

**3. Identification of classes of employees entitled to participate and be beneficiaries in ESOS 2012:**

As per the ESOS 2012, the term employee / employees shall have the meaning ascribed to it in (i) Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 as amended, where the Company is an unlisted entity; or (ii) Regulations 2(f) of the SEBI SBEBSE Regulations where the Company is listed.

**4. Requirement of Vesting and period of Vesting:**

Options granted under ESOS 2012 would vest not less than one year.

The Options Granted under the ESOS 2012 shall Vest in accordance with the Vesting schedule as described/ specified under the Letter of Grant and in compliance with the applicable provisions of the law. Vesting of Options would be subject to continued employment of such Option Grantee with the Company. The NRC may also specify certain additional parameters, including performance parameters, i.e. Vesting Conditions subject to which the Options would Vest.

**5. Maximum period within which the options shall be vested:**

Maximum period within which the options shall be vested is 4 (four) years from the date of grant of such options.

**6. Exercise price or pricing formula:**

The exercise price shall not be less than the face value and shall not be more than fair market value (FMV) of an equity share of the company at the time of grant of option as determined by NRC from time to time and shall be in conformity with the applicable accounting policies, if any.

**7. Exercise period and process of exercise:**

Vested options (whether granted pre-Listing or post-Listing) can be exercised within 4 years from the date of vesting of options.



The Option Grantee may, at any time during the Exercise Period, and subject to fulfillment of conditions of the Grant and Vesting, Exercise the Options by submitting Exercise Application to the Company, to issue and allot him Shares pursuant to the Vested Options. Such Exercise Application must be accompanied by payment of an amount equivalent to the Exercise Price in respect of such Shares.

**8. Appraisal process for determining the eligibility of the employees to ESOS 2012:**

The appraisal process for determining the eligibility of the employee will be specified by the NRC and will be in accordance with ESOS 2012.

**9. The maximum number of options to be granted per employee and in aggregate:**

The maximum number of options that may be granted pursuant to this ESOS 2012 shall not exceed 2,40,00,000 (Two Crore Forty Lakhs) which are convertible into 2,40,00,000 (Two Crore Forty Lakhs) shares.

The maximum number of options that can be granted to any eligible employee during any one year shall not be equal to or exceed 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant. In case the number of options proposed to be granted to an employee equal or exceeds 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant of options, approval of the shareholders by way of a separate resolution in the general meeting shall be obtained.

**10. The conditions under which option vested in employees may lapse:**

Vested options may lapse under the following circumstances:

- a) Vested Options which the Employees have expressly refused to Exercise.
- b) If the employment of an Option Grantee is terminated due to breach of Company Policies or the Terms of Employment, the Options Vested but not Exercised for such Employee, will stand terminated with effect from the date of such breach, including the Vested Options which were not Exercised prior to such breach, will stand terminated with effect from the date of such breach.
- c) In case of death of employee, If the proof of succession is not produced to the Company within 12 months from the date of death of the Employee or such further time as the Board may permit in its absolute discretion, the Options will lapse.

**11. The time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:**

As per Clause 7.10 of the ESOS 2012, in case of cessation due to Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment), vested Options are exercisable within 60 days of the last working day of the Employee with the Company. All Unvested Options, on the date of submission of resignation, will expire and stand terminated with effect from that date. If the resignation or retirement of the Employee occurs within two years from the date of the Grant, the Board at its discretion would settle the Vested Options in cash, by paying the difference between the Fair Market Value applicable on the date of submission of resignation, and the Exercise Price.

**12. The Maximum quantum of benefits to be provided per employee under ESOS 2012:**

Maximum benefits shall refer to the maximum number of options that may be issued per employee. Any benefit other than grant of options or consequential issue of equity shares is not envisaged under the ESOS 2012. Accordingly, the maximum quantum of benefits for the employee under ESOS 2012 is the difference between the exercise price of the options and the market price of the equity shares of the Company as on the date of exercise of options.



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**13. Whether the ESOS 2012 is to be implemented and administered directly by the Company or through a trust:**

The ESOS 2012 is implemented and administered directly by the Company.

**14. Whether the ESOS 2012 involves new issue of shares by the company or secondary acquisition by a trust or both.**

The ESOS 2012 involves only new issue of equity shares by the Company. Presently no secondary acquisition is envisaged.

**15. The amount of loan to be provided for implementation of the ESOS 2012 by the Company to a trust, its tenure, utilization, repayment terms, etc.:**

Not applicable.

**16. Statement to the effect that the Company shall conform to the accounting policies specified in regulation 15 and Rule 12:**

The Company shall comply with the disclosure requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEBSE) Regulations and Rule 15 of The Companies (Share Capital and Debenture) Rules, 2014 or as may be prescribed by regulatory authorities from time to time.

**17. The method which the Company shall use to value its options:**

The Company shall adopt fair value method for valuation of the employee stock options.

**18. Statement with regard to disclosure in director's report:**

In case the Company opts for expensing of share-based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it has used the fair value, shall be disclosed in the director's report and the impact of this difference on profits and on earning per share of the Company shall also be disclosed in the director's report.

**19. Period of lock-in:**

The shares issued pursuant to exercise of options shall not be subject to any lock-in period.

**20. Terms & conditions for buyback, if any, of specified securities covered under these regulations:**

The NRC shall, from time to time, formulate the detailed terms and conditions of the schemes which shall, inter alia, include the provisions with respect to the procedure for buy-back of specified securities, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- (i) permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- (iii) limits upon quantum of specified securities that the Company may buyback in a financial year.

The copies of the related documents will be open for inspection by the members through electronic mode on all working days, during business hours up to the last date of remote e-voting.

The Board recommends the resolutions set out at Item Nos. 2 and 3 of the accompanying notice for approval of the Members by way of Special Resolution.



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None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution, except to the extent of the stock options that are granted or may be granted to them under the ESOS 2012.

**Item No. 4 & 5**

In order to reward and retain the employees and to create a sense of ownership and participation amongst them, the shareholders of the Company had in their meeting held on 10<sup>th</sup> October, 2017 approved FSN Employees Stock Option Scheme – 2017' (hereinafter referred to as the "ESOS 2017"), duly amended on November 26, 2019, April 21, 2020 and July 16, 2021. Subsequently in the extra-ordinary general meeting held on 30<sup>th</sup> September, 2021 Shareholders' approval was obtained for further amendment of ESOS 2017 to ensure conformity with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations").

In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations"), no company shall make any fresh grant of employee stock options which involves allotment or transfer of shares to its employees under any schemes formulated prior to its Initial Public Offering ("IPO") and prior to the listing of its equity shares ("Pre- IPO Scheme") unless (i) such Pre IPO Scheme is in conformity with the SEBI SBEBSE Regulations; and (ii) such Pre IPO Scheme is ratified by its shareholders subsequent to the IPO.

Further, as per proviso to Regulations 12(1) of SEBI SBEB Regulations, the ratification under clause (ii) may be done any time prior to grant of new options or shares under such Pre – IPO Schemes / Plan.

Considering that the Company came out with an IPO of its equity shares got listed on the BSE Limited and the National Stock Exchange of India Limited with effect from November 10, 2021, the Company's ESOS 2017 is required to be ratified by the Shareholders of the Company in terms of the Regulations 12(1) of the SEBI SBEBSE Regulations, for making any fresh grants under ESOS 2017. Accordingly, the same is referred to the Shareholders for their ratification in terms of Regulations 12(1) and other applicable provisions of the SEBI SBEBSE Regulations. ESOS 2017 is in conformity with SEBI SBEBSE Regulations and the Company has not granted any fresh grant of options to employees as on date after the IPO of the Company.

Particulars as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and disclosures required under SEBI SBEBSE Regulations (as amended from time to time) are given below:

**1. Brief description of the ESOS 2017:**

The Scheme is called FSN Employee Stock Option Scheme – 2017.

The objective of the ESOS 2017 is to retain talent and align the interest of the Employees with the Company as well as to motivate them to contribute to its growth and profitability. The Company views employee stock options as instruments that would enable the Employees to share the value they create for the Company in the years to come.

After vesting of the option grantee earns a right (but not an obligation) to exercise the vested employee stock options within exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

ESOS 2017 is managed and administered under the direction of the Board by Nomination and Remuneration Committee (herein after referred as 'NRC/ Compensation Committee').

**2. Total number of options to be granted under ESOS 2017:**

The maximum number of options that may be granted pursuant to this ESOS 2017 shall not exceed 90,00,000 (Ninety Lakh) options.

The Company prior to its Initial Public Offer had already granted 1,02,21,850 (One Crore Two Lakh Twenty-One Thousand Eight Hundred and Fifty) options (which includes re-issued options).



**3. Identification of classes of employees entitled to participate and be beneficiaries in ESOS 2017:**

As per the ESOS 2017, the term employee / employees shall have the meaning ascribed to it in (i) Rule 12 of the Companies (Share Capital and Debentures) Rules 2014 as amended, where the Company is an unlisted entity; or (ii) Regulations 2(f) of the SEBI SBEBSE Regulations where the Company is listed.

**4. Requirement of Vesting and period of Vesting:**

Options granted under ESOS 2017 would vest not less than one year.

The Options Granted under the ESOS 2017 shall Vest in accordance with the Vesting schedule as described/ specified under the Letter of Grant and in compliance with the applicable provisions of the law. Vesting of Options would be subject to continued employment of such Option Grantee with the Company. The Board may also specify certain additional parameters, including performance parameters, i.e. Vesting Conditions subject to which the Options would Vest.

**5. Maximum period within which the options shall be vested:**

Maximum period within which the options shall be vested is 4(four) years from the date of grant of such options.

**6. Exercise price or pricing formula:**

The exercise price shall not be less than the face value and shall not be more than FMV of an equity share of the company at the time of grant of option as determined by NRC from time to time and shall be in conformity with the applicable accounting policies, if any.

**7. Exercise period and process of exercise:**

Vested options (whether granted pre-Listing or post-Listing) can be exercised within 4 (four) years from the date of vesting of options.

The Option Grantee may, at any time during the Exercise Period, and subject to fulfillment of conditions of the Grant and Vesting, Exercise the Options by submitting Exercise Application to the Company, to issue and allot him Shares pursuant to the Vested Options. Such Exercise Application must be accompanied by payment of an amount equivalent to the Exercise Price in respect of such Shares.

**8. Appraisal process for determining the eligibility of the employees to ESOS 2017:**

The appraisal process for determining the eligibility of the employee will be specified by the NRC and will be in accordance with ESOS 2017.

**9. The maximum number of options to be granted per employee and in aggregate:**

The maximum number of options that may be granted pursuant to this ESOS 2017 shall not exceed 90,00,000 (Ninety Lakhs) which are convertible into 90,00,000 (Ninety Lakhs) shares.

The maximum number of options that can be granted to any eligible employee during any one year shall not be equal to or exceed 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant. In case the number of options proposed to be granted to an employee equal or exceeds 1% of the issued capital (excluding outstanding warrants and conversion) of the Company at the time of grant of options, approval of the shareholders by way of a separate resolution in the general meeting shall be obtained.

**10. The conditions under which option vested in employees may lapse:**

Vested options may lapse under the following circumstances:



- a) Vested Options which the Employees have expressly refused to Exercise.
- b) If the employment of an Option Grantee is terminated due to breach of Company Policies or the Terms of Employment, the Options Vested but not Exercised for such Employee, will stand terminated with effect from the date of such breach, including the Vested Options which were not Exercised prior to such breach, will stand terminated with effect from the date of such breach.
- c) In case of death of employee, If the proof of succession is not produced to the Company within 12 months from the date of death of the Employee or such further time as the Board may permit in its absolute discretion, the Options will lapse.

**11. The time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:**

As per Clause 7.10 of the ESOS 2017, in case of cessation due to Resignation / Termination (other than due to misconduct or breach of company policies/terms of employment), vested Options are exercisable within 60 days of the last working day of the Employee with the Company. All Unvested Options, on the date of submission of resignation, will expire and stand terminated with effect from that date. If the resignation or retirement of the Employee occurs within two years from the date of the Grant, the Board at its discretion would settle the Vested Options in cash, by paying the difference between the Fair Market Value applicable on the date of submission of resignation, and the Exercise Price.

**12. The Maximum quantum of benefits to be provided per employee under ESOS 2017:**

Maximum benefits shall refer to the maximum number of options that may be issued per employee. Any benefit other than grant of options or consequential issue of equity shares is not envisaged under the ESOS 2017. Accordingly, the maximum quantum of benefits for the employee under ESOS 2017 is the difference between the exercise price of the options and the market price of the equity shares of the Company as on the date of exercise of options.

**13. Whether the ESOS 2017 is to be implemented and administered directly by the Company or through a trust:**

The ESOS Schemes is implemented and administered directly by the Company.

**14. Whether the ESOS 2017 involves new issue of shares by the company or secondary acquisition by a trust or both.**

The ESOS 2017 involves only new issue of equity shares by the Company. Presently no secondary acquisition is envisaged.

**15. The amount of loan to be provided for implementation of the ESOS 2017 by the Company to a trust, its tenure, utilization, repayment terms, etc.**

Not applicable.

**16. Statement to the effect that the Company shall conform to the accounting policies specified in regulation 15 and Rule 12:**

The Company shall comply with the disclosure requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations and Rule 12 of The Companies (Share Capital and Debenture) Rules, 2014 or as may be prescribed by regulatory authorities from time to time.

**17. The method which the Company shall use to value its options:**

The Company shall adopt fair value method for valuation of the employee stock options.



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## FSN E-Commerce Ventures Limited

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

### 18. Statement with regard to disclosure in director's report:

In case the Company opts for expensing of share-based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the director's report and the impact of this difference on profits and on earning per share of the Company shall also be disclosed in the director's report.

### 19. Period of lock-in:

The shares issued pursuant to exercise of options shall not be subject to any lock-in period.

### 20. Terms & conditions for buyback, if any, of specified securities covered under these regulations:

The NRC shall, from time to time, formulate the detailed terms and conditions of the schemes which shall, inter alia, include the provisions with respect to the procedure for buy-back of specified securities, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- (i) permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- (iii) limits upon quantum of specified securities that the Company may buyback in a financial year.

The copies of the related documents will be open for inspection by the members through electronic mode on all working days, during business hours up to the last date of remote e-voting.

The Board recommends the resolutions set out at Item Nos. 4 and 5 of the accompanying notice for approval of the Members by way of Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in this resolution, except to the extent of the stock options that are granted or may be granted to them under the ESOS 2017.

**Date** : January 10, 2022

**Place** : Mumbai

**CIN**: L52600MH2012PLC230136

#### Registered Office:

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**By the Order of the Board of Directors of  
FSN E-Commerce Ventures Limited  
(Formerly FSN E-Commerce Ventures Pvt. Ltd.)**



**Rajendra Pynde**  
**Head Legal, Company Secretary &  
Compliance Officer**  
**Mem. No.: A9785**