Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India
+91 22 2868 3876 / 06, 4203 0405, 2967 6004/5/6

Ref: FWIL/SEC/2025-26/30

Date: July 28, 2025

BSE Limited Listing Department P.J. Towers, 1st Floor, Dalal Street, Fort, Mumbai - 400 001 **Scrip Code: 544030**	**National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051 **Symbol: FLAIR**

Dear Sir/Madam,

Sub: Submission of Annual report for financial year 2024-25

The Ninth (9th) Annual General Meeting (AGM) of the Company is scheduled to be held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) on Tuesday, August 19, 2025 at 03.00 PM (IST).

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report for the year 2024-25 along with AGM Notice sent to the shareholders.

The same is also available on the website of the Company at:

https://www.flairworld.in/investor-relation.aspx

You are requested to take the above information on records and disseminate the same on your respective website.

Thanking you.

Yours truly,
For **Flair Writing Industries Limited**

VISHAL KISHOR CHANDA
Digitally signed by VISHAL KISHOR CHANDA
Date: 2025.07.28 21:57:11 +05'30'

Mr. Vishal Kishor Chanda
Company Secretary & Compliance Officer

Encl: as above

Rooted in *Excellence*
Driven by *Innovation*

FLAIR WRITING INDUSTRIES LIMITED

ANNUAL REPORT 2024-25

NAVIGATE
THROUGH THE
pages

Website:
https://www.flairworld.in/

Scan the QR code to know more about the company

Corporate Overview

Statutory Reports

Financial Statements

Forward Looking Statement

This report may contain forward looking statements which can be identified by specific terminology such as 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'should', 'could', 'will', or negative variations. These statements are subject to risks and opportunities beyond the Company's control, or the Company's current beliefs and assumptions about future events. The actual performance of the Company may differ from expected outcomes stated in this report. There is no guarantee that future results will be achieved as envisaged.

Guided by the belief,

‘the pen is mightier than the sword’,

it carries the power to create; to express and to shape the future, Flair has spent decades crafting tools that leave a mark.

Since 1986, we have built our story on a foundation of trust, quality and craftsmanship. These values have not only defined our products but have also connected us with generations of users.

In 2016, this journey entered a new chapter as we consolidated into Flair Writing Industries, while continuing with the values that shaped our beginning.

We have never stood still. Curiosity drives us forward. Whether it is through smart design, thoughtful details or expanding into new categories, we are constantly reimagining the familiar.

Rooted in Excellence, Driven by Innovation

is the lens through which we honour our past and approach the future. Every product we create is designed to offer not just utility but delight and in the hands of our users, we hope it becomes a tool for ideas, for dreams and for stories still waiting to be written.

PERFORMANCE HIGHLIGHTS

Inking Our Progress

WE ARE ONE OF INDIA'S MOST ESTABLISHED AND DIVERSIFIED COMPANIES IN THE WRITING INSTRUMENTS AND STATIONERY INDUSTRY, WITH A LEGACY SPANNING OVER FIVE DECADES. OUR BUSINESS ENCOMPASSES A WIDE PORTFOLIO INCLUDING PENS, CREATIVE STATIONERY, STEEL BOTTLES AND DESIGNER HOUSEWARE.

Built on a strong foundation of product innovation, extensive distribution and trusted brands, we serve a wide range of consumer segments, i.e., mass, mid-premium and premium. With robust in-house manufacturing capabilities and a focus on expanding our category reach, we continue to strengthen our presence in both domestic and international markets.

Operational Highlights

8,000+
Distributors

3,30,000+
Wholesalers and Retailers

175+
Super-stockists

2400+
Cities, Towns and Villages

Financial Highlights

₹1,079.9 crores
Revenue from Operations

₹184.7 crores
EBITDA

₹119.1 crores
PAT

15.1%
Return on capital employed

Business at a glance

1100+
Products offered

1,135
Sales and Marketing team members

191 crores+
Units sold

ESG at a glance

1.85 MW
Rooftop solar power installation

4,978 KL
Water treated before discharge

2.05 MTCO2e/in million
Total Scope 1 and Scope 2 emission intensity per rupee of turnover

ABOUT US

A Flair for Quality

FLAIR WRITING INDUSTRIES LIMITED IS ONE OF INDIA'S MOST RECOGNISED AND TRUSTED NAMES IN THE WRITING INSTRUMENTS AND STATIONERY SECTOR, WITH AN EXPANDING FOOTPRINT IN GLOBAL MARKETS. ESTABLISHED IN 1976 AND INSTITUTIONALISED IN 1986, FLAIR HAS EVOLVED INTO A DIVERSIFIED ENTERPRISE OFFERING AN EXTENSIVE RANGE OF PENS, CREATIVE STATIONERY, STEEL BOTTLES AND DESIGNER HOUSEWARE.

Our brands, known for their commitment to quality, innovation and design, have earned the trust of millions across generations.

Over the years, we have continuously broadened our product portfolio and strengthened our distribution network to meet the evolving needs of consumers across mass, mid-premium and premium segments. Our advanced in-house manufacturing capabilities, supported by automation and integrated processes, enable us to maintain stringent quality control, scale and optimise cost efficiency. Today, we operate 11 strategically located manufacturing facilities across India and export to over 115 countries worldwide.

Guided by a culture of innovation, consistent category expansion and long-standing partnerships, Flair delivers thoughtfully designed, high-quality products that cater to everyday users, professionals and students alike.

Our Own Brands

Flair WORLD CLASS PENS

HAUSER Germany

pierre cardin PARIS

ZOOX

Flair Creative

Flair Designer Houseware

Flair STEEL BOTTLES

Vision

Our vision is to attain 100% customer satisfaction through products designed with superior quality.

Mission

Our mission is to drive continuous innovation across writing instruments, stationery, and lifestyle products, delivering superior quality and a seamless experience through our creations.

Core Values

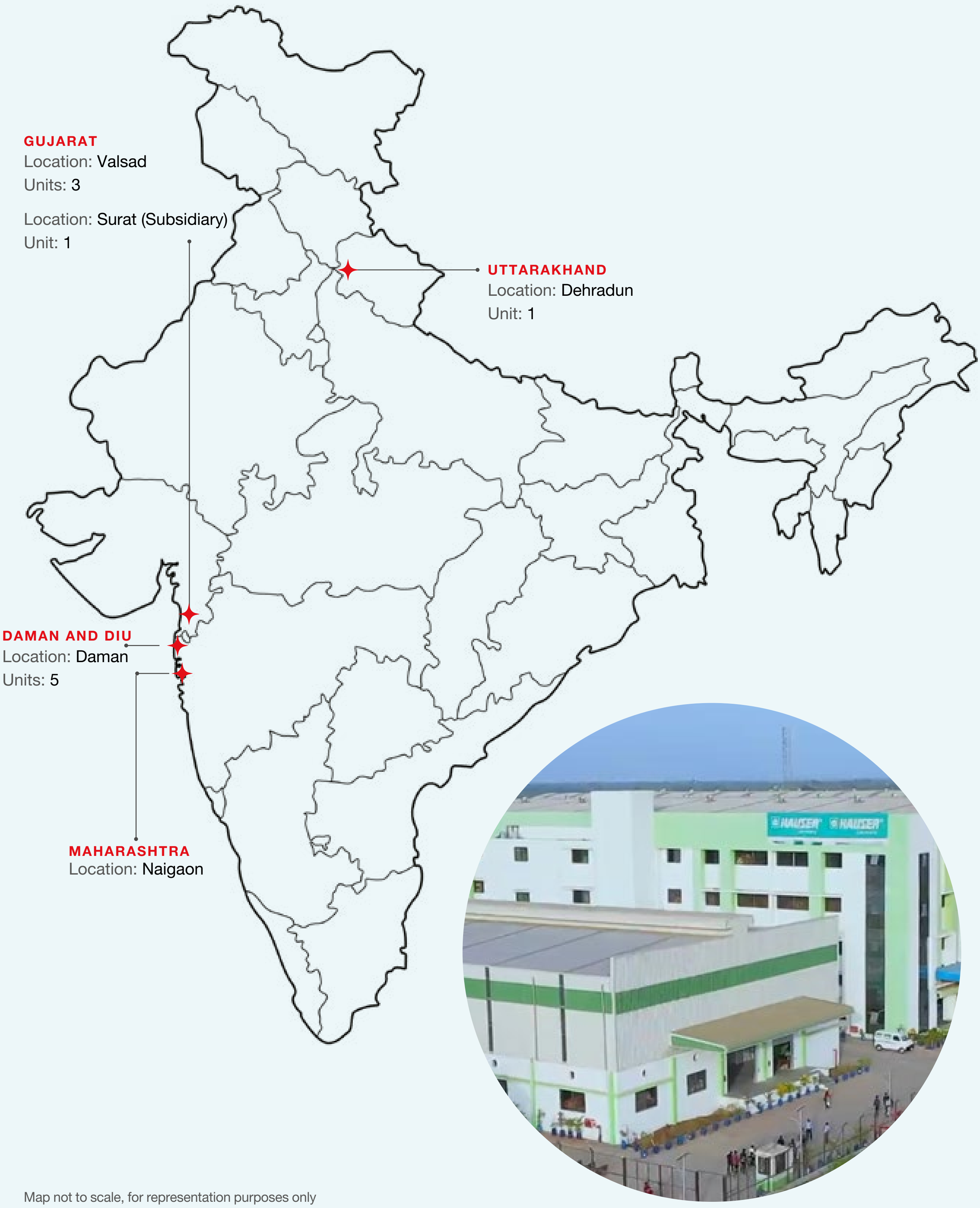
- Integrity
- Customer satisfaction
- Trust
- Diversity
- Innovation
- Quality
- Teamwork
- Transparency

OUR MANUFACTURING UNITS

Where ideas take shape

OUR MANUFACTURING FACILITIES ARE STRATEGICALLY LOCATED ACROSS INDIA TO ENHANCE OPERATIONAL EFFICIENCY AND STREAMLINE LOGISTICS.

This geographic distribution allows us to effectively meet diverse market requirements while maintaining high standards of quality and ensuring timely delivery. Looking ahead, we aim to further strengthen our technology and manufacturing infrastructure to foster innovation and achieve operational excellence.



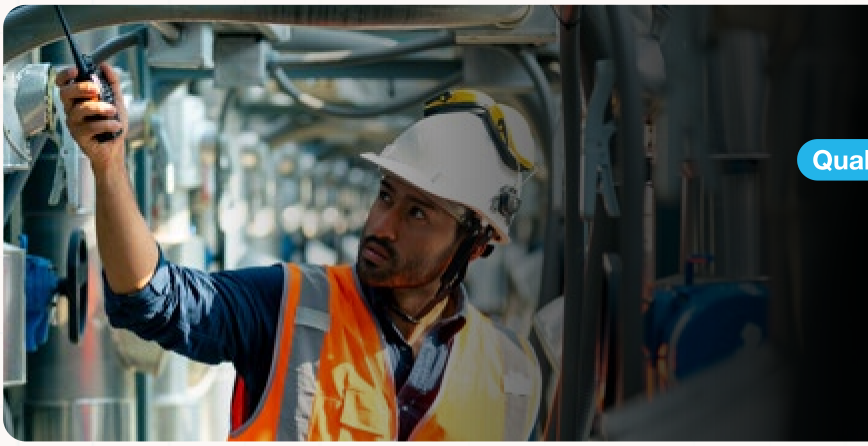
Map not to scale, for representation purposes only

OUR COMPETITIVE EDGE

Distinctive strengths defining Flair

Largest distribution network

We operate the most extensive distributor, dealer and retailer network in India's writing instruments industry, complemented by a growing presence in key international markets.

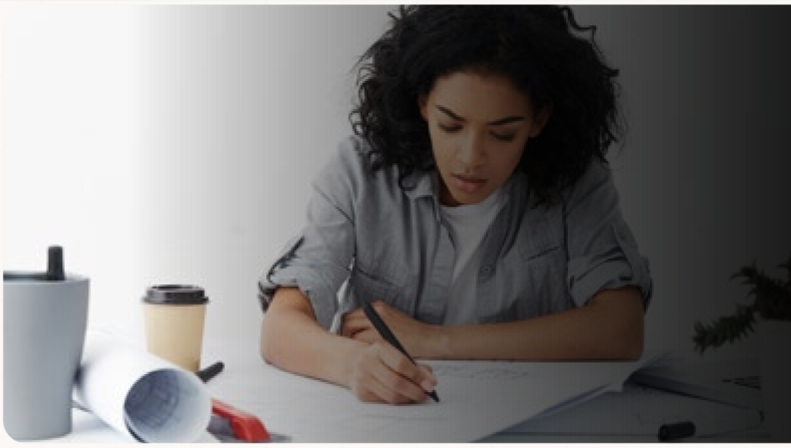


Quality Manufacturing

We uphold high-volume manufacturing capabilities, supported by advanced R&D and a strong emphasis on product innovation and design as our hallmark.

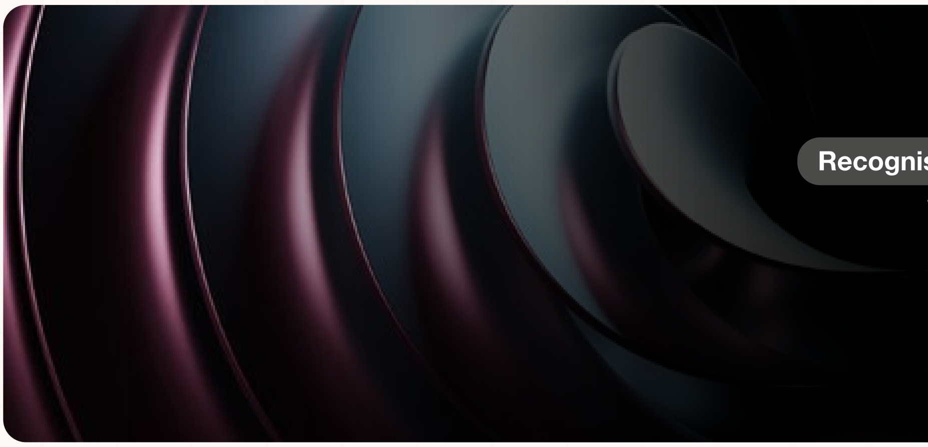
Global Footprint

As India's largest exporter of writing instruments, we collaborate with international brands and continue to expand our global reach through high-quality creative products.



Evolving Portfolio

Our expansive catalogue spans multiple price segments, reflecting continuous innovation and a commitment to meeting the diverse needs of consumers.



Recognisable brands

Through years of dedicated efforts, we have successfully established brands that resonate across both mass and premium markets.

Strong financial performance

We have a proven track record of strong financial results, with stable profitability margins, Return on Equity (ROE) and Return on Capital Employed (ROCE).

OUR JOURNEY

The road travelled

WE HAVE BUILT ONE OF THE LARGEST DISTRIBUTION NETWORKS IN INDIA AND EXPANDED INTO CREATIVE STATIONERY, STEEL BOTTLES, AND DESIGNER HOUSEWARE. WITH STRONG EXPERTISE IN WRITING INSTRUMENTS AND LEADERSHIP IN EXPORTS, WE CONTINUE TO IDENTIFY NEW OPPORTUNITIES AND SCALE THEM STRATEGICALLY ACROSS DOMESTIC AND GLOBAL MARKETS.

1986
Registered the Flair brand

Flair WORLD CLASS PENS

1998
Commenced production at our manufacturing unit in Daman (Union Territory of Dadra and Nagar Haveli and Daman and Diu)

2005
Our manufacturing unit, Daman Unit-II, was set up in Daman

2008
Introduced Flair Calculators to our product portfolio

2009
Established a new manufacturing facility in Dehradun (Uttarakhand)

2011
Our manufacturing plant, Dehradun Unit–II, was set up in Dehradun, Uttarakhand

2012
Acquired rights to the Pierre Cardin brand for writing instruments category

pierre cardin PARIS

2014
National Pen and Plastic Industries (NPPI) acquired select trademarks of the Hauser brand for domestic as well as international markets (later merged with FWIL)

2015
Established a manufacturing unit in Naigaon (Maharashtra)

2016
Incorporated as Flair Writing Industries Private Limited, following the conversion of M/s. Flair Writing Instruments

2018
Converted into a public limited company and commissioned a manufacturing plant in Valsad (Gujarat)

2021
Launched Flair Creative range of products

2022
The 'Zoox' brand was registered as a trademark

Acquired shares of 'Flair Cyrosil Industries Private Limited' and it became one of our subsidiaries

Our manufacturing plant, Valsad Building-IV, was set up in Valsad, Gujarat

2023
Entered steel bottles segment for domestic and international markets; Listed on BSE and NSE on 01st December 2023

2024
Achieved an installed annual capacity of approximately 2.30 billion units

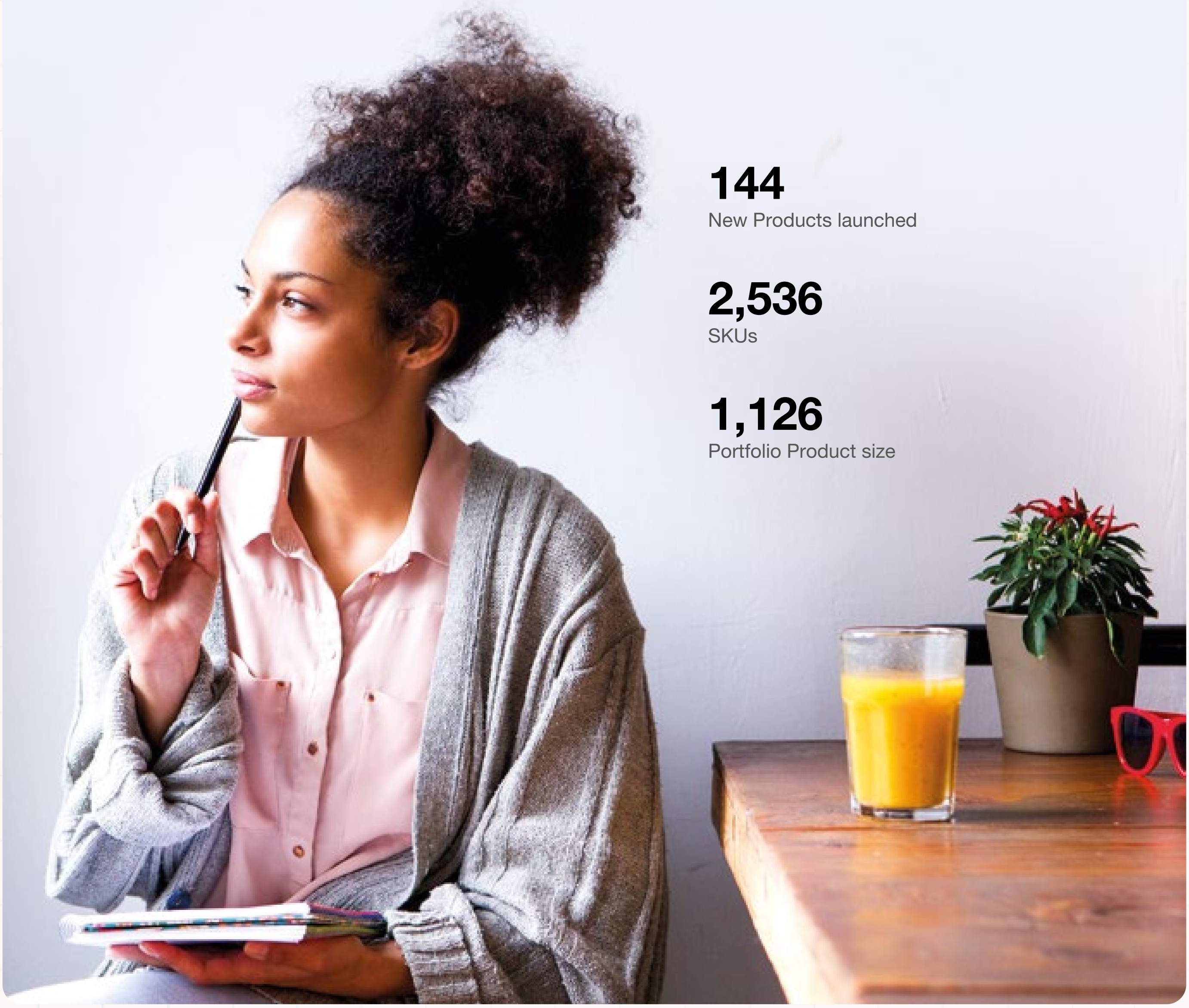
2025
Entered into a strategic partnership with Maped France for its stationery products; incorporated Flomaxe Stationery Private Limited.

OUR PRODUCT PORTFOLIO

Elevate your everyday

WITH A DIVERSE PORTFOLIO SPANNING PENS, CREATIVE STATIONERY AND WRITING TOOLS, WE CONTINUALLY STRENGTHEN OUR PRESENCE IN THE STATIONERY AND ART MATERIALS SEGMENT.

Our products are designed to cater to the varied needs of students, professionals and creative individuals, enabling us to establish a strong market position in India while expanding our footprint globally.



144
New Products launched

2,536
SKUs

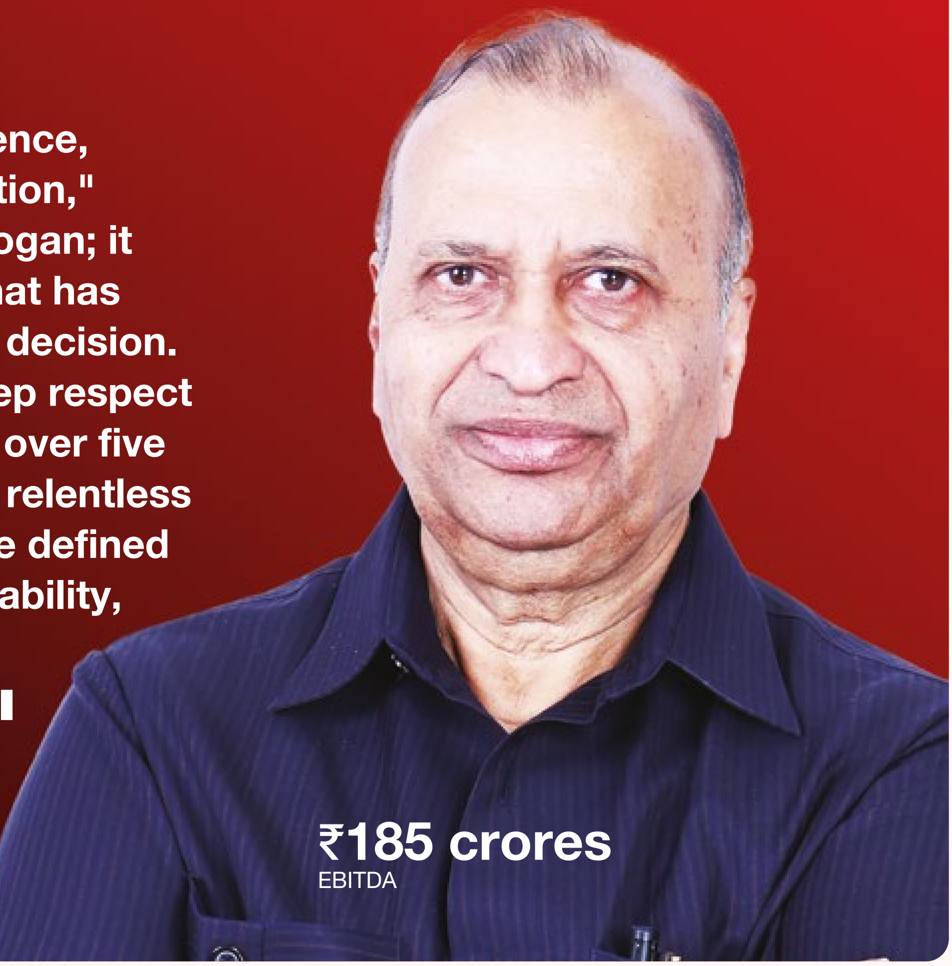
1,126
Portfolio Product size


Flair
Flair Creative
MY Activity & Colouring BOOK
Flair Creative MINIZ
SKETCH PENS
FC-512
LARGE DISPLAY
CT-302

CHAIRMAN'S DESK

A Message of Commitment and Growth

"Rooted in Excellence, Driven by Innovation," is more than a slogan; it is the principle that has guided our every decision. It reflects our deep respect for a legacy built over five decades and our relentless pursuit of a future defined by growth, adaptability, and leadership."



₹1,080crores
Revenue from Operations

₹185 crores
EBITDA

Dear Stakeholders,

As we conclude a challenging yet a rewarding year, I take pride in presenting this annual report, which encapsulates our journey and reaffirms our unwavering commitment to excellence. It reflects the effectiveness of our strategic approach and our passion for fulfilling our promise. We have shaped an organisation that has become a household name, and as we stride ahead, we remain focused on advancing the legacy that we have meticulously built over five decades. This year, we not only navigated a complex global landscape but also achieved a historic milestone.

Navigating the Economic Landscape

The global economy stood at a critical juncture, shaped by shifting policy landscapes. Intensifying downside risks continue to weigh on global growth, driven by escalating geopolitical issues, trade tensions trade tensions and ongoing financial market adjustments. Despite these challenges, the Indian economy demonstrated remarkable resilience, growing at a robust 6.5%, underpinned by strong domestic consumption and strategic government capital expenditure. India remains firmly on course to become the world's third-largest economy by 2030. For Flair, this stable domestic environment allowed us to leverage rising consumer confidence and capitalise on growing demand across the nation.

The Evolving Stationery Market

The writing instrument market, a staple of everyday life for both consumers and businesses, is witnessing steady growth and expansion. With an increasing demand for premium and ergonomic products, the global writing instrument industry is also recording a rising awareness around the use of eco-friendly materials.

In India, increasing literacy rates, expanding educational initiatives and greater enrolment in schools and colleges have fuelled the stationery market's transformation into a dynamic and highly competitive space. Urbanisation and shifting lifestyle preferences have further driven demand for aesthetically designed and branded writing instruments. This evolving landscape aligns perfectly with our focus on premiumisation through renowned brands such as Pierre Cardin and Hauser. In addition, our expansion into the 'Flair Creative' segment and our approach to sustainable manufacturing puts us in a strong position to meet and shape future market trends.

A Year of Strategic Accomplishments

This year, we crossed the historic milestone of ₹ 1,000 crores in annual sales, closing the year with a record revenue of approximately ₹ 1,080 crores. This accomplishment is largely the result of a series of strong performances across our business verticals. Our core Pens business experienced a strong rebound in the second half of the year, while our Creative segment delivered an impressive 18% growth. Additionally, our Steel Bottles and Houseware division expanded rapidly, recording a 144% increase in revenue.

Our growth was further accelerated by strategic partnerships aimed at broadening our portfolio and extending our market reach. We entered into a distribution partnership with Maped, France, for its stationery products. Maped is one of Europe's largest stationery brands, and we look forward to strengthening our offerings in the mid-premium segment. Also, the launch of Disney-branded products has enhanced the appeal of our creative range, while the strategic investment in Flomaxe Stationery ensures a renewed focus on the pencil category.

Celebrating Our People

Our success story is written by a team of dedicated individuals who consistently go above and beyond, putting in hardwork to continue our legacy of excellence. In FY25, we undertook several significant initiatives to build a future-ready organisation. We strengthened our teams across all functions, especially increasing our Sales and Marketing team headcount to more than 1100, ensuring a more granular market reach.

Our approach to human resources is anchored in attracting talent through inclusive practices such as diverse interview panels. Further, we retain our high-performing employees through competitive compensation, continuous upskilling opportunities and comprehensive wellness programmes. By fostering a culture of open communication, alignment and mutual respect, we have built our a workplace where every employee feels valued and empowered to contribute to our shared goals.

> **"We strive to deepen our market penetration, innovate and collaborate to expand our portfolio. We are confident in achieving a healthy growth in the coming year, driven by our operational strengths and strategic initiatives."**

Advancing Sustainability and Social Welfare

Beyond our business operations, we took a monumental step in our sustainability journey with the installation of a 1.85 MW rooftop solar power project at our Valsad and Daman facilities. This development marks a major milestone in our transition journey to renewable energy. At the same time, we ensured that our CSR initiatives, spanning critical areas such as education and healthcare, continued to make a positive impact. Understanding the crucial role of collaboration in building a better tomorrow, we partnered with the KK Wagh Education Society, contributing to school infrastructure projects aimed at creating a more conducive learning environment for students—the future leaders of tomorrow.

Our Roadmap for the Future

We are looking towards a horizon brimming with endless possibilities. By leveraging our strong brand equity and expansive distribution network, we aim to drive growth across all segments. For FY26, we have planned a capital expenditure of approximately ₹ 80-90 crores, which includes the establishment of a new manufacturing unit in Valsad to augment our capacity. In addition, we strive to deepen our market penetration, innovate and collaborate to expand our portfolio. We are confident in achieving a healthy growth in the coming year, driven by our operational strengths and strategic initiatives.

On behalf of the Board, I extend my sincerest gratitude to our employees, partners, customers, government bodies and other valued shareholders and other valued shareholders for your steadfast support. We look forward to writing the next chapter of Flair's success story together.

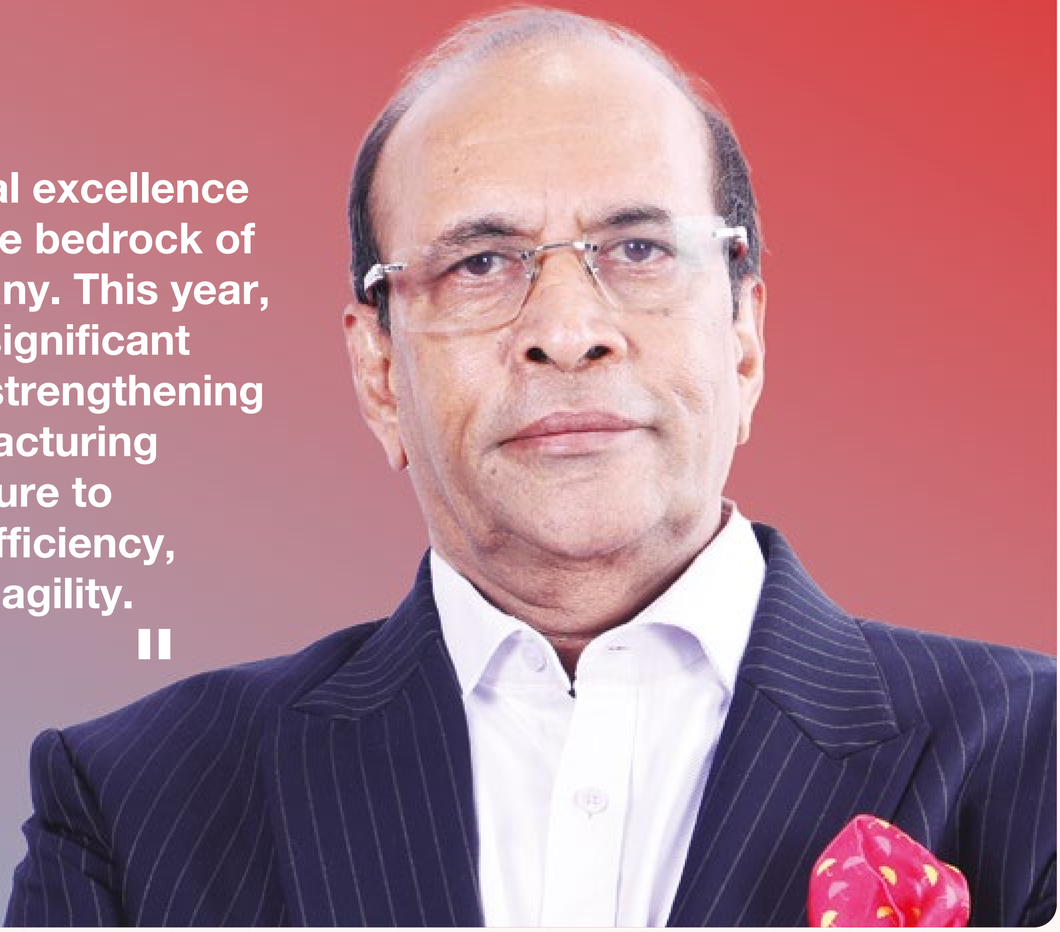
With best wishes,

Khubilal Jugraj Rathod
Chairman

MD'S DESK

Inspiring Innovation While Honouring Our Roots

"Operational excellence remains the bedrock of our company. This year, we made significant strides in strengthening our manufacturing infrastructure to enhance efficiency, scale, and agility."



Dear Stakeholders,

A legacy is built through diligence, an unswerving commitment to excellence and an indomitable zeal to surpass established limits. The question of how we can improve, grow from our current position and continue to make an indelible mark has always driven us at Flair Industries. It has inspired us to think outside the box, deliver value that transcends business profitability and lay the foundation for sustainable growth.

This year was defined by significant milestones, strategic investments and well-crafted initiatives. However, before I continue, on behalf of the entire Board, I extend my deepest gratitude for the invaluable trust and support of our shareholders—you have been an integral part of our journey.

A Year of Performance, Progress and Perseverance

It is said that consistent efforts pay off, and this year we reaped the rewards of our sustained hardwork. We surpassed the ₹1,000 crore revenue milestone, closing the financial year with consolidated revenue from operations at ₹1,080 crores, reflecting a growth of 10.3% year-on-year. This achievement was supported by a strong gross profit of ₹548 crores, which marks an 11.1% increase.

Our PAT remained stable at ₹119 crores, while our EBITDA for the year stood at ₹184.7 crores, with a margin of 17.1%. We have significantly expanded our workforce across sales, R&D and administration, and scaled our manufacturing prowess to meet the growing demand. Though these investments have impacted margins in the short-term, they are crucial for building the operational strength required for accelerated growth, and are expected to provide significant operating leverage in the years ahead. In recognition of our performance and confidence in the future, the Board is pleased to recommend a dividend of 20% i.e. ₹1 per share.

Fortifying Our Operational Core

We have strengthened our manufacturing infrastructure to enhance efficiency, scalability and agility. With around 70% of our Creatives product portfolio produced within our in-house manufacturing facility, we have taken a significant step towards gaining control over quality, costs and supply chain reliability.

Our capital expenditure for the year stood at ₹131 crores, primarily directed towards new plant and machinery as well as moulds. Looking ahead, we plan to invest ₹80-90 crores in CAPEX for the upcoming year, which includes the establishment of a new, state-of-the-art manufacturing unit in Valsad.

We are increasingly leveraging automation with the installation of robots and semi-automated assembly lines. Additionally, our versatile production lines provide us with the agility to respond to market shifts.

Harmonising Growth With Responsibility

We have implemented concrete, eco-friendly measures to reduce our environmental footprint. The installation of a combined 1.85 MW rooftop solar power project across our Valsad and Daman facilities further reinforces our commitment to environmental stewardship. In addition, we have institutionalised practices such as rainwater harvesting and established robust Effluent Treatment Plants (ETPs) to recycle water within our operations.

As part of our efforts to promote a circular economy, we are maximising the use of self-generated plastic waste in the production of packaging materials. We have also replaced single-use plastic bags in our factories with durable crates, significantly extending their lifecycle. Further, we actively encourage our trade partners to adopt bulk packaging solutions to minimise material consumption.

Broadening Horizons

In FY25, we launched 144 new products including 65 new pens, with two-thirds of these strategically targeting the mid-premium and premium segments. We also expanded our Creative segment with 34 new products, and the SKU count for our Steel Bottles range grew by more than double.

To accelerate our diversification, we have entered into strategic partnerships that complement our core strengths. We expect our investment in Flomaxe Stationery Private Limited will strengthen our position in the pencil category, while our distribution partnership with Maped will enable us to penetrate the premium stationery segment, offering world-class products to Indian consumers complimenting our own range of creative stationery products.

> **"To accelerate our diversification, we have entered into strategic partnerships that complement our core strengths. We expect our investment in Flomaxe Stationery Private Limited will cement our position in the pencil category, while our distribution partnership with Maped will enable us to penetrate the premium stationery segment, offering world-class products to Indian consumers"**

Crafting a Stronger Brand Identity

Our marketing campaigns have played a pivotal role in establishing Flair as a household name. This year, we focused on forging an even deeper connection with our consumers and strengthening our brand identity, particularly in Tier 2 and Tier 3 markets. The 'बस फ्लेयर और कुछ नहीं' campaign was designed to communicate our evolution into a 'one-stop solution' for school and office supplies, highlighting our new verticals in creative tools, storage solutions and hydration products. Similarly, the 'लिख के दूँ क्या' campaign for our Writometer pen effectively conveyed our resolute commitment to quality and reliability.

A Brand Built to Last

As we move forward, our focus remains steadfast on driving innovation, strengthening our manufacturing capabilities, expanding our distribution footprint, and operating with the highest standards of corporate and environmental responsibility. We believe that our strategic initiatives across key segments will support sustainable growth and improve overall operational efficiency. The investments undertaken during the year are expected to enhance our long-term value creation and reinforce our market position.

"Success is the sum of small efforts, repeated day-in and day-out"—this year proved to be significant for us, but we are just getting started. Built on a legacy crafted over five decades, we are confident in our strength, expertise and experience. We will continue to write a story of success and ensure long-term value creation for all our stakeholders.

Yours faithfully,

Mr. Vimalchand Jugraj Rathod
Managing Director

Board of Directors

Mr. Khubilal Jugraj Rathod
Chairman

Mr. Vimalchand Jugraj Rathod
Managing Director

Mr. Rajesh Khubilal Rathod
Whole-Time Director

Mr. Mohit Khubilal Rathod
Whole-time Director

Mr. Sumit Rathod
Whole-time Director

Mr. Punit Saxena
Independent Director

Mr. Rajneesh Bhandari
Independent Director

Mr. Manoj Vinod Lalwani
Independent Director

Ms. Sheetal Bhanot Shetty
Independent Director

Mr. Deven Bipin Shah
Independent Director

OUR MANAGEMENT TEAM

Mr. Jatin Chadha
Chief Operating Officer

Mr. Alpesh Porwal
Chief Financial Officer

Mr. Vishal Kishor Chanda
Company Secretary &
Compliance Officer

FINANCIAL HIGHLIGHTS

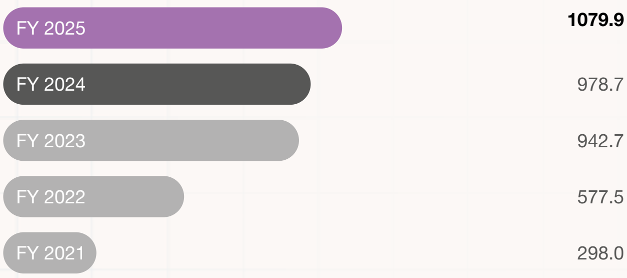
Precision and performance

WE STRATEGICALLY DEPLOY AVAILABLE FUNDS,TO STRENGTHEN OPERATIONS, DRIVE GROWTH INITIATIVES AND MANAGE LIQUIDITY ACROSS BUSINESS CYCLES.

Our capital allocation framework is closely aligned with performance-linked priorities, empowering us to invest judiciously in capacity expansion, innovation and R&D , product portfolio diversification and the advancement of our global market presence.

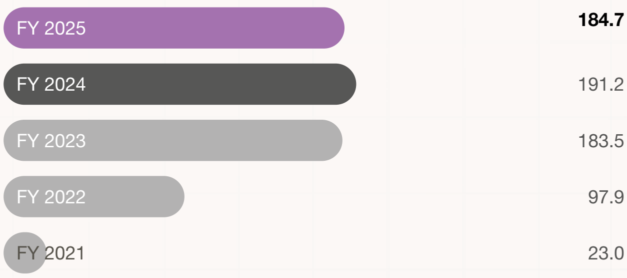
Revenues
(₹ in crores)

1079.9



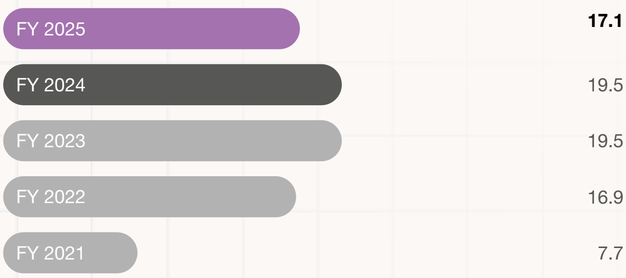
EBITDA
(₹ in crores)

184.7



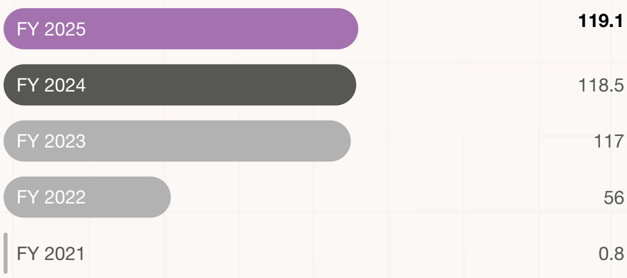
EBITDA
(in %)

17.1



PAT
(₹ in crores)

119.1



PAT
(in %)

10.3

FY 2025	10.3
FY 2024	12.1
FY 2023	12.4
FY 2022	9.7
FY 2021	0.3

ROCE
(in %)

15.1

FY 2025	15.1
FY 2024	17.3
FY 2023	30.0
FY 2022	18.6
FY 2021	3.4

ROE
(in %)

11.7

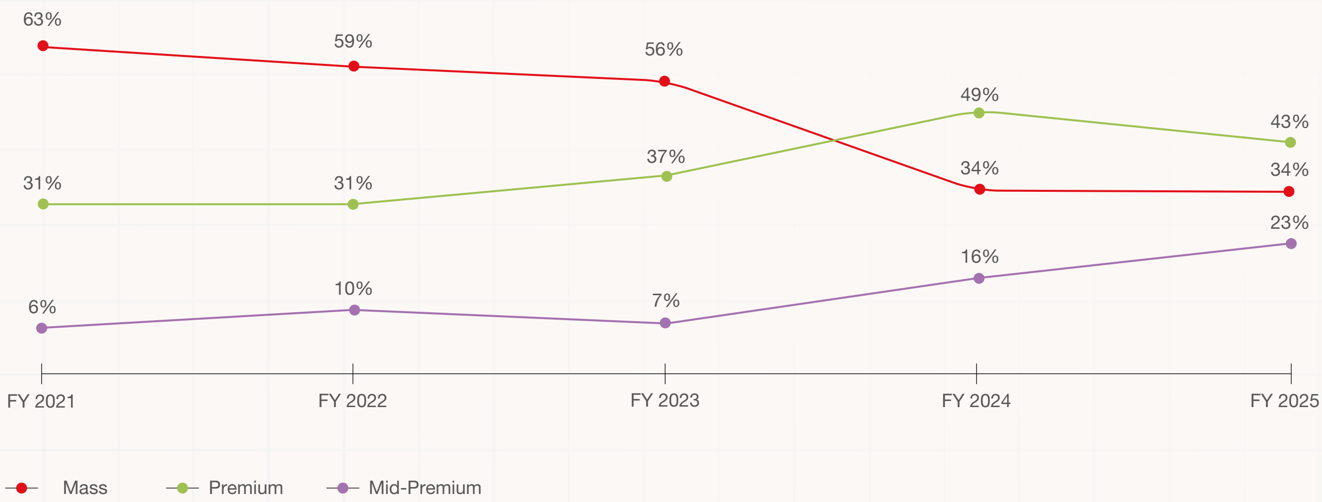
FY 2025	11.7
FY 2024	13.2
FY 2023	26.9
FY 2022	17.5
FY 2021	0.4

Debt to equity
(in times)

0.06

FY 2025	0.06
FY 2024	0.08
FY 2023	0.28
FY 2022	0.41
FY 2021	0.53

Our Increase in premium shares in new launches



Flair

WORLD CLASS PENS

ESTABLISHED IN 1976 AND INSTITUTIONALISED IN 1986, FLAIR IS OUR FLAGSHIP BRAND AND AMONG THE MOST RECOGNISED NAMES IN THE INDIAN WRITING INSTRUMENTS INDUSTRY. THE JOURNEY BEGAN WITH M/S. FLAIR WRITING INSTRUMENTS, A PARTNERSHIP FIRM FOUNDED BY OUR PROMOTERS TO MANUFACTURE FOUNTAIN PENS, BALL PENS AND REFILLS.

Over the decades, Flair has steadily grown into a leading player in the market, driven by a consistent focus on quality, innovation, and consumer trust. In 2016, the business was formally incorporated as Flair Writing Industries Limited, continuing the brand's legacy and expanding its presence across domestic and international markets.

Today, the Flair brand offers one of the most extensive portfolios in the writing instruments category, including ball pens, fountain pens, gel pens, roller pens, plastic pens and metal pens. It is the largest segment in terms of product variety. In addition to writing instruments, the brand encompasses a wide range of stationary products such as mechanical pencils, highlighters, correction pens, markers, gel crayons, student stationery kits and calculators. Positioned in the mid-mass segment, Flair caters to diverse consumer requirements across domestic and international markets. The broad pricing spectrum of Flair products enhances accessibility while meeting the needs of students, professionals and everyday users alike.

350+
Products

Metal Pens

ATLANTIC | COMET | LEADER | PACIFIC | SOFT-TOUCH | TOPAZ | WING

Plastic Pens

BOUNCE | GLASS | GLASS GEL | INKY - MARVEL | INKY - DISNEY | INKY GRIP FOUNTAIN | INKY REGULAR DISNEY

INKY RETRAX | INKY SWITCH FOUNTAIN | LIQUID GT - POP | LIQUID GT | MOVE-X | NEO-POP | O2

Hauser

GERMANY

ESTABLISHED IN GERMANY IN 1947, HAUSER IS A HERITAGE BRAND RENOWNED FOR ITS LEGACY IN PRECISION WRITING AND EUROPEAN CRAFTSMANSHIP. NOW PART OF OUR BRAND PORTFOLIO, HAUSER COMBINES TIMELESS DESIGN WITH DEPENDABLE PERFORMANCE, OFFERING A RANGE OF WRITING INSTRUMENTS THAT SEAMLESSLY BLEND STYLE, FUNCTIONALITY AND DURABILITY.

The brand's portfolio includes pens, mechanical pencils, gel pens, highlighters and markers, each designed to deliver a consistent writing experience.

With a growing presence in India and other key markets, Hauser caters to consumers who value quality, design and aesthetic. Positioned across both accessible and aspirational price segments, Hauser caters to students, professionals and everyday users alike. By combining international design sensibilities with Flair's advance manufacturing capabilities, Hauser continues to expand its reach while staying true to its core values of reliability, elegance and craftsmanship.

300+
Products

Metal Pens

ARCH | CREST | DUSK | VELVET | XO | ASPIRE | CELEBRITY

Plastic Pens

XO | C-THRU | CURVE | DOKU-RITE | FLOAT ROLLER | GRAVITY | INX CARS

INX COMIC | INX POOH | KNOX | PEARLZ GEL | XO CLICK | AUTO CLICK | CLEO

Pierre Cardin

PARIS

PIERRE CARDIN IS A GLOBALLY RECOGNISED NAME IN FASHION AND LIFESTYLE AND ITS WRITING INSTRUMENTS REFLECT THE BRAND'S SIGNATURE DESIGN SENSIBILITY AND REFINED AESTHETICS. THE RANGE FEATURES A THOUGHTFULLY CURATED SELECTION OF PENS THAT MERGE ELEGANT FORM WITH EVERYDAY FUNCTIONALITY.

Characterised by sophisticated finishes, smooth ink flow and premium packaging, Pierre Cardin writing instruments are ideally positioned in the premium and gifting segments.

The brand caters to discerning consumers who seek sophistication in everyday writing tools as well as corporate gifting solutions. Through design-led innovation and meticulous attention to detail, Pierre Cardin continues to build relevance across retail and institutional channels.

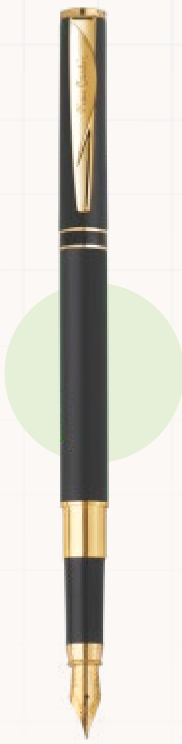
240+
Products

PC PENS

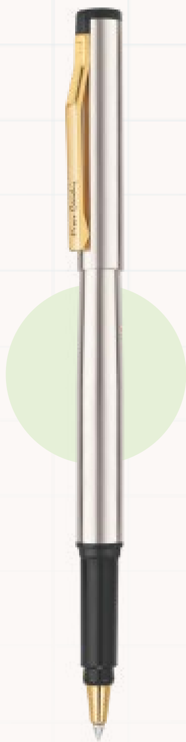
JEWEL RUDRAKSHA

KRISS JAPAN BK FOUNTAIN PEN

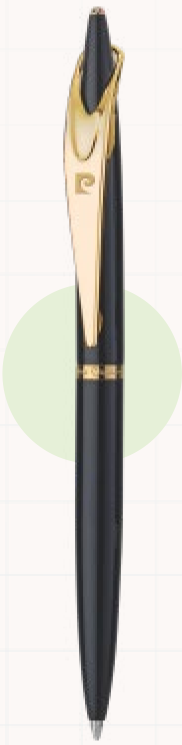
PEARL KONARK BALL PEN



COMBI PEN



REPRISE BALL PEN



REAL MAGIC BALL PEN

PRESIDENT FOUNTAIN PEN

ANTICA BALL PEN

JEWEL SATIN GOLD BALL PEN

MONARCH PEN

ZOOX

‘ZOOX’ IS OUR PREMIUM-RANGE BRAND OF PLASTIC-BASED PENS, CREATED FOR MODERN USERS. WITH CONTEMPORARY STYLING, CLEAN DESIGN AND A MINIMALIST AESTHETIC, ZOOX DELIVERS A WRITING EXPERIENCE THAT BALANCES VISUAL APPEAL WITH PRACTICAL PERFORMANCE.

Each Zoox product reflects a focus on quality, performance and value. Positioned to compete with premium imported alternatives, the brand is aimed at customers who appreciate both form and function.

Zoox All Pens

E7 GEL ROLLER PEN

F7 ROLLER GEL PEN

H7 LIQUID INK PEN

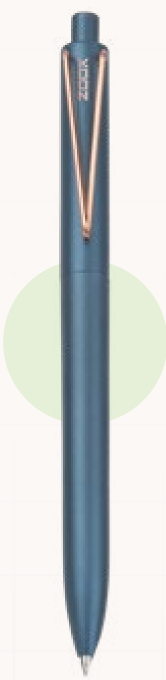
INK IT CHROME I9 FOUNTAIN PEN

INK IT GOLD I9 FOUNTAIN PEN

INK IT I9 FOUNTAIN PEN

T9 ROLLER GEL PEN

U7 ROLLER GEL PEN



X7 GEL PEN

Y7 BALL PEN

Flair

CREATIVE

FLAIR CREATIVE IS OUR DEDICATED ART AND CRAFT BRAND, THOUGHTFULLY DESIGNED TO SUPPORT SCHOOL PROJECTS, HOME LEARNING AND CREATIVE EXPRESSION AMONG YOUNG LEARNERS.

The product portfolio includes crayons, sketch pens, colour pencils, craft kits and essential stationery tools widely used by students. With an emphasis on child-safe materials, vibrant colours and engaging designs, Flair Creative products are available across general trade, bookshops and institutional supply channels.

215+
Products

18%
Revenue Growth in FY25

Colouring Range

TEMPERA COLOUR

ACRYLIC PAINT MARKER

METALLIC BRUSH MARKER

WAX CRAYON

DURA CHISEL

MAGIC MARKER

Geometry Box

ACCUMATIC

TRIGO

GEO MATRIX

Kits

COLOUR BUBBLE KIT

ART CLUB

BINGO KIT

AERO PENCI KIT

SPLASH KIT

UNICORN KIT

Mechanical Pencil

CLIXXO 2.0MM

TRIO 2.0

MOVE 2.0

Office stationery

WHITEBOARD INK

PASTEL HILIGHTER

CT 302

CP 250

PERMANENT PEN XL

SUPER-GLOW HIGHLIGHTER

Wooden Pencil

PASTEL

S-QUARE

TRIX

Flair
ELECTRONIC CALCULATOR

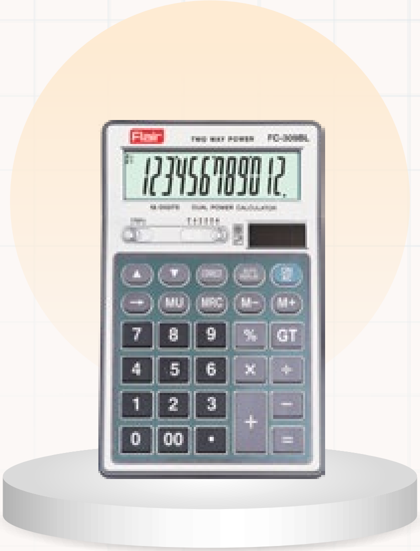
SINCE 2008, FLAIR HAS OFFERED A COMPREHENSIVE RANGE OF CALCULATORS THAT MEET BOTH ACADEMIC AND COMMERCIAL REQUIREMENTS. OUR PORTFOLIO INCLUDES POCKET, SEMI-DESKTOP, DESKTOP AND SCIENTIFIC CALCULATORS, EACH DESIGNED WITH USER-FRIENDLY FEATURES SUCH AS LARGE DISPLAYS, DUAL POWER MODES AND ADVANCED FUNCTIONS LIKE CHECK AND CORRECT. FLAIR CALCULATORS ARE TRUSTED ACROSS INDIA FOR THEIR DESIGNS, LOOK, FUNCTIONALITY AND CONSISTENT PERFORMANCE.

FC-1090

FC-890

FC 82 MS

FC 100 MS



FC 309 BL

FC 450

FC 501 TX

FC 512 1

FC 837

FC 991 MS

Flair

STEEL BOTTLES & DESIGNER HOUSEWARE

Flair Designer Houseware

FLAIR STEEL BOTTLES & DESIGNER HOUSEWARE REPRESENTS OUR FORAY BEYOND WRITING INSTRUMENTS INTO THE LIFESTYLE AND HOME ESSENTIALS SEGMENT. THIS CATEGORY INCLUDES A STYLISH AND PRACTICAL RANGE OF PLASTIC HOUSEHOLD PRODUCTS SUCH AS STEEL WATER BOTTLES, LUNCH BOXES, STORAGE CONTAINERS AND KITCHEN ACCESSORIES, DESIGNED TO COMBINE DAILY FUNCTIONALITY WITH AESTHETIC APPEAL.

Manufactured using food-grade materials and advanced moulding techniques, these products reflect our emphasis on safety, quality and design. Positioned for value-conscious households, Flair Designer Houseware is distributed through a wide network of retail outlets and general trade partners across urban and semi-urban markets. Steel bottles are manufactured in a state-of-the-art plant with color coating and other facilities and have received BIS certifications.

BIS Compliant
Steel Bottles

50+ SKUs

Colouring Range


ARCTIC 650 DX


DURBY


LUNCHMATE SS TIFFIN


FEAST


MOKA


CREST


KITCHENMATE CLASSIC


BUCKET


SPRINT


ATOM


LUNCHMATE MICROWAVE SAFE TIFFIN


MY BENTO 3


CREST DX


CREST


COLA CRUSH


CHAMP

OUR GROWTH PARTNERSHIPS

Partners in Progress

TO ENHANCE BRAND APPEAL AND BROADEN OUR PRODUCT REACH, WE HAVE FORGED STRATEGIC PARTNERSHIPS WITH GLOBAL BRANDS THAT ALIGN WITH OUR COMMITMENT TO QUALITY AND CONSUMER-CENTRICITY.

Collaboration with Disney

We have entered into a brand licensing agreement with Disney, granting us the rights to feature popular characters from multiple Disney intellectual properties across our stationery and art product categories. These beloved characters appear on a wide range of items, including creative kits and student stationery, creating excitement and fostering an emotional connection with young users. Leveraging Disney's strong brand equity and deep resonance among children and young adults, this collaboration significantly enhances our visibility and brand recall. Currently, we manufacture and distribute nearly 20 Disney-branded SKUs across our extensive network

Strategic partnership with Maped France

We have also established a partnership with Maped, a renowned French stationery brand with nearly 80 years of experience and a presence across five continents and 120 countries. This collaboration enables us to distribute Maped's premium-quality stationery products in India, combining our robust distribution network with Maped's reputation for quality and design. Targeted primarily at the mid-premium segment, Maped's portfolio complements and enriches our creative product offerings, delivering differentiated value to our channel partners and consumers.

OUR CORE STRENGTHS AND STRATEGY

The Pillars behind our progress

1 Extensive Product Portfolio

What Drives us

Our diverse offerings encompass a wide range of pens, art materials, calculators, stationery kits and steel bottles and designer houseware products. This enables us to cater to varied consumer segments and usage occasions across India and global markets.

Where we are headed

We aim to further strengthen our portfolio through continuous product innovation, category expansion and format-led differentiation tailored to students, professionals and creative users.

3 Strategic Collaborations

What Drives us

We have forged partnerships with renowned global brands including Disney, Maped France and Pierre Cardin, enabling us to expand product depth and reach new customer segments.

Where we are headed

We intend to scale these alliances while exploring new collaborations in licensing, OEM and distribution to support portfolio diversification and enhance brand visibility.

2 Widening Market Access

What Drives us

With established brands such as Flair, Hauser, Pierre Cardin, Zoox and Flair Creative, we maintain a strong foothold in writing instruments and stationery across both domestic and international markets.

Where we are headed

Our growth strategy focuses on deeper retail reach, higher export volumes and targeted brand-building efforts across the mid-mass and aspirational price segments.

4 Integrated Manufacturing

What Drives us

Our in-house manufacturing capabilities provide us with strong control over quality, scalability and supply timelines. A backward-integrated setup supports various product categories.

Where we are headed

We continue to invest in automation, infrastructure and packaging to meet growing demand. Currently, our facilities operate from **5 locations,** covering approx. **24 acres,** with an annual production capacity of **2.3 billion units.**

5 Strong Distribution Reach

What Drives us

We operate through an extensive network covering general trade, modern retail and e-commerce channels, supported by a dedicated sales force and channel partners.

Where we are headed

Our focus remains on deepening reach in Tier-II and Tier-III markets, enhancing visibility in organised retail and optimising delivery through technology-enabled supply chain and order tracking systems.

MARKETING

Crafting connections

OUR MARKETING APPROACH IS SHAPED BY THE EVOLVING PREFERENCES OF OUR CONSUMERS AND TRADE PARTNERS. OVER THE PAST YEAR, WE FOCUSED ON STRENGTHENING BRAND LOYALTY, EXPANDING AWARENESS ACROSS PRODUCT CATEGORIES AND POSITIONING FLAIR AS A COMPREHENSIVE SOLUTION FOR SCHOOL AND OFFICE ESSENTIALS.

Campaigns like 'बस फ्लेयर और कुछ नहीं' resonated across both B2B and B2C audiences, reinforcing our growing presence in sectors such as stationery, creative tools insulated products and storage solutions.

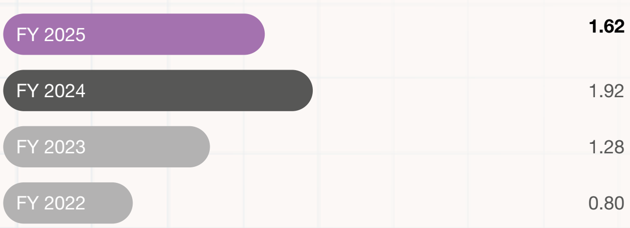
Product Assurance and Premium Play

With campaigns like 'लिख के दू क्या', we showcased our dedication to performance, design and dependable quality, resonating with consumers who seek both value and assurance in their everyday writing tools. Our collaboration with Maped France represents a strategic entry into the mid-to-premium segment. By combining Flair's strong distribution strength with Maped's global expertise in design and innovation, this move enhances our portfolio and aligns seamlessly with our vision to offer differentiated, high-quality products in both domestic and international markets.

Marketing expense

(% of revenue)

1.62



GRAPH NOT SCALED

Advertising, sales and marketing

We continue to invest in ATL (Above the line) and BTL (Below the line) marketing through a dual-channel strategy that blends digital engagement with strong offline visibility and retail activation. Our approach spans television commercials, social media campaigns, school outreach programmes and on-ground branding initiatives, each informed by data and performance insights. Real-time metrics from digital platforms, along with structured consumer feedback loops, allow us to evaluate campaign effectiveness and integrate learnings into product development.

Shaping lifelong brand relationships

As we look ahead, we remain focused on reinforcing our connection with young consumers, accompanying them on their journey from early creative expression to professional writing. Our initiatives around the BTS (Back to School) and RTY (Return to Year) seasons are crafted to build enduring brand affinity through relatable storytelling, aspirational brand positioning and a strong emphasis on functional excellence.

TECHNOLOGY AND PROCESS INNOVATION

Designing tomorrow's experiences

WE CONTINUE TO ADVANCE OUR MANUFACTURING CAPABILITIES THROUGH PHASED AUTOMATION UPGRADES AND PROCESS OPTIMISATION. IN THE PAST YEAR, WE INTRODUCED ROBOTIC SYSTEMS ON KEY MACHINES, ENHANCING PRECISION WHILE IMPROVING EFFICIENCY AND REDUCING RECURRING LABOUR COSTS.

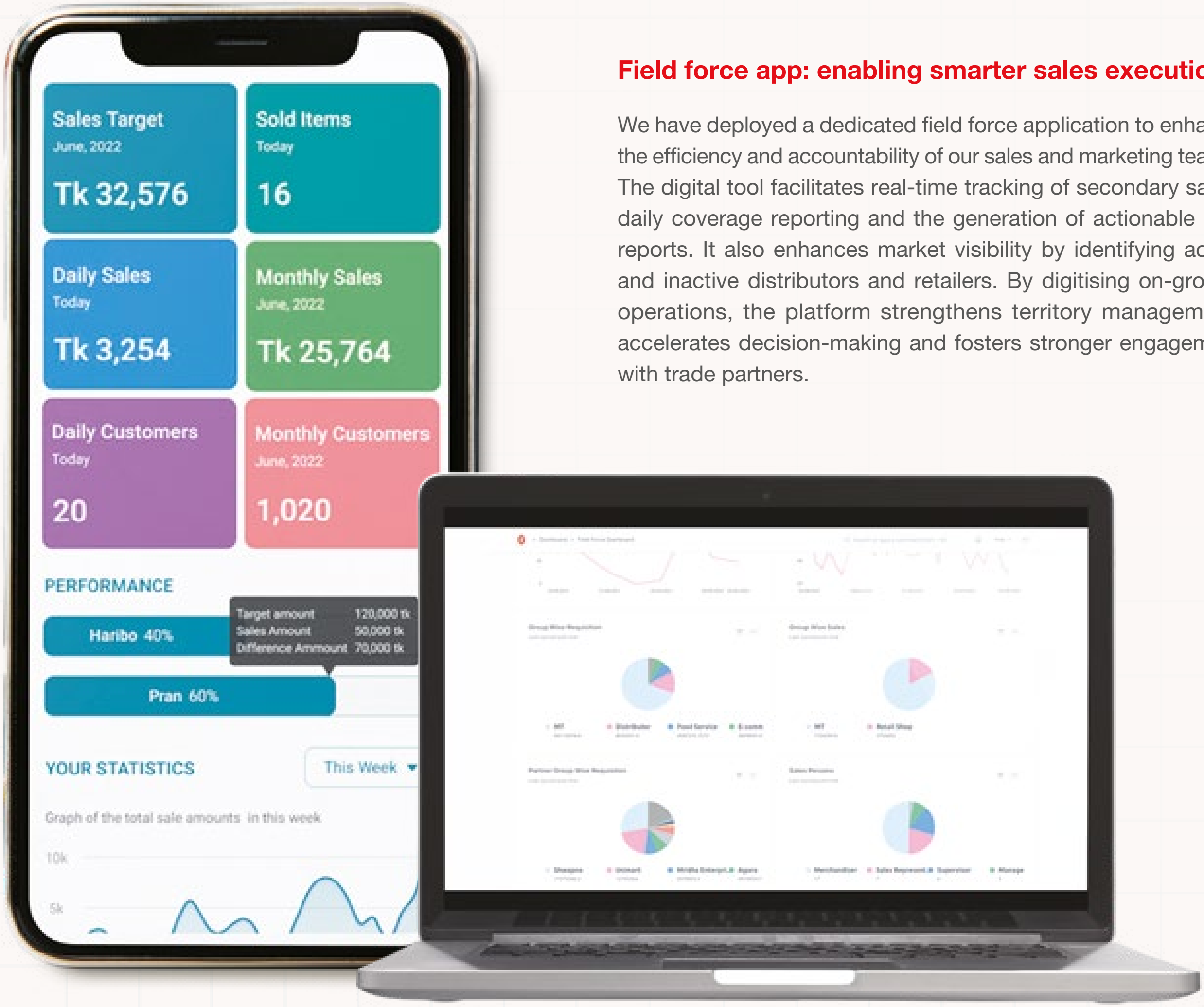
Additionally, the adoption of straight-line production methods for high-volume SKUs has streamlines end-to-end workflows. These initiatives have collectively improved throughput, enabled better cost control and enhanced operational consistency across our operations.

Adaptive Infrastructure for product versatility

Our manufacturing infrastructure enables us to manage a wide and dynamic SKU base. With fungible production lines and cross-functional tooling expertise, we can seamlessly support frequent product introductions across multiple categories, including pens, creative tools and hydration products. Shared moulding capabilities across our facilities allow us to optimise resource utilisation while ensuring consistent quality. New manufacturing units, such as those in Valsad, are being developed with the flexibility to accommodate multiple verticals. This will enable us to align with market demands and scale product innovation efficiently.

In-House Development and Value Engineering

To enhance product performance and reliability, we have invested in in-house ink manufacturing for water-based products and upgraded tip designs for select SKUs increasing captive manufacturing of all types of tips. Leveraging our extensive expertise in moulding and cost management, we effectively cater to price-sensitive segments without compromising on quality. While our creative category continues to grow, value engineering remains a continuous focus, backed by our transition from OEM to retail-first branding across newer categories like hydration products.



Field force app: enabling smarter sales execution

We have deployed a dedicated field force application to enhance the efficiency and accountability of our sales and marketing teams. The digital tool facilitates real-time tracking of secondary sales, daily coverage reporting and the generation of actionable MIS reports. It also enhances market visibility by identifying active and inactive distributors and retailers. By digitising on-ground operations, the platform strengthens territory management, accelerates decision-making and fosters stronger engagement with trade partners.

ENVIRONMENT STEWARDSHIP

Growing green

SUSTAINABILITY IS INTEGRATED INTO OUR OPERATIONS THROUGH CONSCIOUS INVESTMENTS IN ENERGY-EFFICIENT SYSTEMS, WATER CONSERVATION PROCESSES AND WASTE REDUCTION INITIATIVES.

We apply circular design principles to minimise material consumption and extend product lifecycles. These measures collectively strengthen the resilience of our operations and reduce our environmental impact.

Energy efficiency

We have implemented several initiatives to enhance energy efficiency across our production facilities. A major milestone is the commissioning of a 1.85 MW rooftop solar power project at our Valsad and Daman units, supporting a cleaner and more reliable energy mix.

In addition, we have adopted servo-based machinery, integrated natural daylighting in select production areas and upgraded to energy-efficient electrical systems on our shop floors. These measures reduce overall power consumption and cost while improving operational performance.

1.85 MW Solar Rooftop

Across Valsad and Daman unit

Water management

Our water conservation strategy includes the installation of Effluent Treatment Plants (ETPs) and the implementation of rainwater harvesting systems to support reuse and reduce dependency on external sources.

Waste management

To minimise material waste and reduce footprint, we reuse internally rejected plastic across various product lines, including stands and packaging boxes. Single-use plastic storage bags have been replaced with durable, multi-use crates across our facilities, enhancing lifecycle value and reducing recurring waste. We are encouraging the use of steel-based hydration products as a sustainable alternative to single-use plastic.

Sustainable production

We continue to explore value engineering in design and manufacturing to support our sustainability goals. Our production infrastructure supports flexible moulding for multiple SKUs, which reduces redundancy and optimises material utilisation. We are increasing the use of water-based variants, enabling enhanced quality control and reduced environmental impact. Looking ahead, we are investing in next-generation energy-efficient machinery to further reduce energy consumption and support our long-term sustainability goals.

HUMAN RESOURCE

Nurturing potential, inspiring excellence

OUR CONTINUED SUCCESS IS A REFLECTION OF A MOTIVATED AND PASSIONATE TEAM. WE VIEW OUR PEOPLE AS AN EXTENSION OF OUR FAMILY AND DEEPLY VALUE THEIR CONTRIBUTIONS TO OUR JOURNEY.

Guided by the principles of care and empathy, we place employee well-being at the centre of our organisational culture. Through dedicated training and development initiatives, we support both the professional advancement and personal growth of our workforce

1,538
Permanent employees

5,844
Total workers

65%
Female Employees

Employee Well-being

We implement specific measures to support employee health, including regular health screenings, biometric assessments and eye check-up camps. Mental health is addressed through access to counselling services and support. Engagement activities are fostered through participation and feedback, reinforcing a workplace culture based on respect and shared accountability.

Employee Safety

We have established clearly defined safety protocols and real-time incident reporting mechanisms across all facilities. Field managers and on-ground staff receive training to handle conflicts and create a supportive work environment. Safety metrics are tracked consistently and corrective actions are implemented based on incident analysis and employee feedback.

Diversity, Equity and Inclusion (DEI)

Our DEI practices focus on removing bias from recruitment and career progression. We use blind resume screening and diverse interview panels to eliminate bias from the hiring process. We participate in diversity-focused hiring events and run internship programmes to build diverse talent pipelines. Mentorship initiatives and transparent promotion criteria support equal opportunity across functions. Referral programs and structured onboarding help accelerate integration and reduce early attrition.

Training and Development

Learning programmes are aligned with current business needs and individual development plans. Employees have access to certified courses and cross-functional assignments. Cross-departmental projects and task forces enable employees to build new capabilities and collaborate beyond functional lines. Performance management is driven by KRAs, while digital tools and real-time feedback support continuous learning across teams and locations.

Talent Acquisition and Retention

Our talent strategy is designed to attract and retain high-performing professionals across key functions. Hiring processes are standardised and inclusive, supported by diverse interview panels and referral programmes. To retain talent, we regularly benchmark salaries, offer performance-based bonuses and implement targeted recognition programmes. Attrition analytics are used to anticipate trends and guide response measures. Career progression, meaningful roles and flexible work arrangements contribute to sustained engagement.

CSR

Flair's promise to society

WE RECOGNISE OUR RESPONSIBILITY TOWARDS THE COMMUNITIES WE OPERATE IN. OUR CSR INITIATIVES ARE DESIGNED TO ADDRESS FUNDAMENTAL NEEDS, PARTICULARLY IN THE AREAS OF EDUCATION AND HEALTHCARE, WHILE SUPPORTING OUR BROADER GOAL OF INCLUSIVE AND SUSTAINABLE DEVELOPMENT.

Key Focus areas

Education **Healthcare**

We strive to improve access to quality education and essential healthcare services. These efforts are shaped through local engagement, needs-based project planning and long-term partnerships to ensure relevance.

CSR strategy outlook

- Periodic Needs Assessment
- Strengthening Impact Measurement
- Expanding Stakeholder Engagement
- Digital and Technological Integration

1,00,000

Tree plantation drive at Giradada village Pali

We supported underprivileged communities through a range of initiatives during the year. In collaboration with local organizations, we distributed sewing machines and hearing aids to promote self-employment and independence. We also contributed to the development of educational infrastructure by donating to an institution for the construction of a school building. These efforts reflect our approach to inclusive and sustainable support.

Education Initiatives

Our continued focus on education is reflected in targeted infrastructure development projects. One such initiative was undertaken in collaboration with KK Wagh Education Society, to upgrade school facilities and support better learning outcomes. This has contributed to increased enrolment rates and improved the quality of education for underserved communities. Moreover, sewing machines were distributed to promote vocational training, particularly among women.

Healthcare initiatives

Our healthcare efforts are directed at improving access to basic medical services in target communities. Recent initiatives have supported local health camps and supported preventive care. These contributions are intended to improve baseline health indicators and reduce barriers to primary care in vulnerable areas.

As part of our CSR initiatives for this fiscal year, we distributed essential equipment such as sewing machines and hearing aids to beneficiaries. These efforts not only promote self-employment and economic independence but also support individuals with hearing impairments.

GOVERNANCE

The backbone of responsible leadership

WE CONSIDER STRONG CORPORATE GOVERNANCE ESSENTIAL TO BUILDING A RESPONSIBLE AND RESILIENT ORGANISATION.

Our governance framework is rooted in clearly defined values and guides our interactions with all stakeholders. We uphold transparency, ethical conduct and regulatory compliance against established governance standards to ensure accountability and integrity.

Key governance initiatives

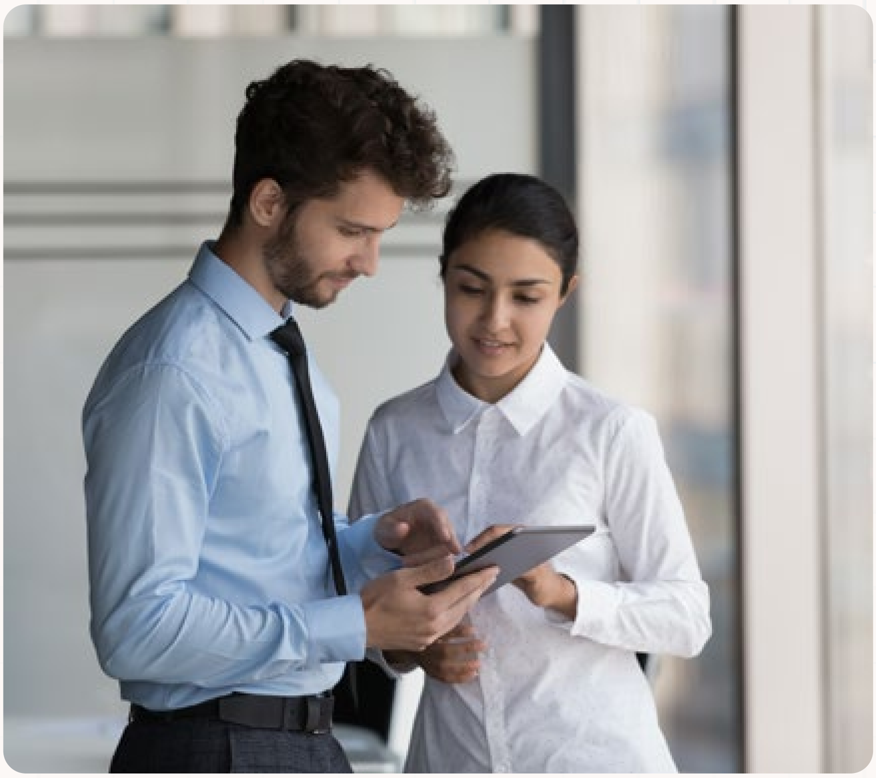
- Adoption and implementation of a Code of Conduct for the Board, Key Managerial Personnel (KMPs) and Senior Management
- Strengthening of the Whistle-blower Policy and internal reporting mechanisms
- Enhanced transparency in audit and financial reporting processes
- Continued focus on diversity in Board composition
- Revision of governance policies in line with SEBI (LODR) Regulations, 2015, including:
    - Disclosure of material events or information
    - Framework for related party transactions
    - Identification of material subsidiaries
- Integration of ESG principles into governance and oversight mechanisms
- Institutionalisation of independent audits and transparent reporting structures.

Code of Conduct

We have institutionalised a comprehensive Code of Conduct applicable to Board members, KMPs and senior management. It serves as a guiding framework for ethical decision-making, professional conduct and compliance. It is embedded across all levels of the organisation.

Grievance Redressal

Our Whistle-blower Policy provides a secure and confidential platform for reporting concerns related to ethics, governance or misconduct. All reported matters are reviewed with due diligence and are overseen by senior leadership or the Audit Committee, ensuring protection against any form of retaliation.



POSH (Prevention of Sexual Harassment)

We are fully compliant with the POSH Act and have constituted Internal Committees at all applicable locations. Regular training sessions and awareness programmes are conducted to ensure that all employees understand their rights and responsibilities, creating a workplace culture of safety, respect and inclusion

Board evaluation

An annual performance evaluation is conducted for the Board, its committees and individual Directors. This process assesses governance effectiveness, enhances accountability and ensures alignment with the Company's strategic goals.

AWARDS

Our Awards and Accolades

2022-23, 2021-22, 2020-21: Award for Top Exporter from The Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments

2020-21: Award for Top Exporter from The Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments

2019-20: Award for Top Exporter from The Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments

2018-19: Export Award from The Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments (excluding parts)

2017-18: Export Excellence Award for the No. 1 Exporter from the BFPMTA 2017-18 Award for Second Best Exporter to the Company from The Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments

2015-16: Award for the No. 1 Exporter from the Writing Instruments Manufacturers Organisation- India (WIMO)

2015-16: Export Excellence Award for No. 1 Exporter from the BFPMTA

2014-15: Award for No. 1 Exporter from the Writing Instruments Manufacturers Organisation- India (WIMO)

2014-15: Export Excellence Award for No. 1 Exporter from the BFPMTA

2013-14: Most Valuable Brand 2014: Award from WCRC

2012-13: Asia's most promising brand from WCRC

2010-11, 2009-10, 2008-09: Award for No. 1 Exporter to the Flair Group of Companies from the BFPMTA

FLAIR WRITING INDUSTRIES LIMITED

CIN- L51100MH2016PLC284727, Website : www.flairworld.in

Email ID- investors@flairpens.com

Registered Office- Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India; Phone- +91 (22) 42030405

NOTICE

Notice is hereby given that the 9th Annual General Meeting (AGM) of the members of Flair Writing Industries Limited ('the Company') will be held on Tuesday, August 19, 2025 at 03.00 pm (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2025 and the Reports of the Board of Directors and Auditors thereon.

2. To declare a dividend of ₹ 1/- per equity share of ₹ 5/- each of the Company for the financial year ended March 31, 2025.

3. To appoint a director in place of Mr. Khubilal Jugraj Rathod (DIN: 00122867), who retires by rotation, and being eligible, offers himself for re-appointment.

4. To appoint a director in place of Mr. Rajesh Khubilal Rathod (DIN: 00122907), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To appoint Secretarial Auditor of the Company for a term of five consecutive years from FY 2025-26:

   To consider and if thought fit, pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. KPUB & Co., Company Secretaries (Firm Registration No. P2015MH069000) as the Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from FY 2025-26 till FY 2029-2030, to conduct the Secretarial Audit of the Company and to issue the Secretarial Audit Report.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditors.

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution."

For **Flair Writing Industries Limited**

Place: Mumbai
Date: July 25, 2025

Vishal Kishor Chanda
Company Secretary & Compliance Officer

Registered Office:
Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093

Notice (Contd.)

NOTES:

a) The Ministry of Corporate Affairs ('MCA') has, vide its Circular nos. 20/2020, 14/2020, 17/2020, 02/2021, 02/2022, 10/2022, 09/2023, the latest being 09/2024 dated 19th September, 2024 and the Securities and Exchange Board of India ('SEBI') vide its circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024 and other applicable circulars issued in this regard, (hereinafter collectively referred to as 'the Circulars'), have permitted holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC'). Hence, the AGM of the Company is being held through VC. The deemed venue for AGM shall be the registered office of the Company, i.e. Flair house, Plot No. A/64, Cross Road, A-Marol Ind. Area, MIDC, Andheri (East), Mumbai-400093.

b) Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.

c) The information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Directors retiring by rotation seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as **Annexure A** to this Notice.

   In compliance with the provisions of the Act, SEBI Listing Regulations and Secretarial Standards on General Meeting and MCA Circulars, the 9th Annual General Meeting of the Company is being held through VC/ OAVM on August 19, 2025, at 03.00 pm (IST). The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company.

d) Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members, who are Bodies Corporate / Institutional shareholders, may attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF Format) of their respective Board or governing body resolution / authorisation etc., authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting. The said resolution / authorisation shall be sent to the Company's Registrar & Transfer Agent ("RTA"), MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) at the email address rnt.helpdesk@in.mpms.mufg.com with a copy marked to the Company at investors@flairpens.com.

e) The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, August 12, 2025 to Tuesday, August 19, 2025 (both days inclusive).

f) Attendance of the members participating in the AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

g) Pursuant to the acquisition of Link Group by Mitsubishi UFJ Trust & Banking Corporation, the name of RTA has changed from Link Intime India Private Limited to MUFG Intime India Private Limited with effect from December 31, 2024. The RTA of the Company has launched 'SWAYAM', Investor Self-Service Portal, designed exclusively for the Members serviced by the RTA of the Company. The investors can visit and access the 'SWAYAM' Portal at https://swayam.in.mpms.mufg.com/Access/Register.

h) In accordance with the aforesaid MCA Circulars and the Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Annual Report for FY 2024-25 are being sent only through electronic mode to those Members whose e-mail addresses are registered with their respective Depository Participants ("DPs"), Company or Company's RTA. Members may note that the Notice of the AGM and the Annual Report for the year 2025 will also be available on the Company's website at www.flairworld.in, and also on the website of the Stock Exchanges where the shares of the Company have been listed viz., BSE Limited-

Notice (Contd.)

www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com. The Company has published a Public Notice by way of advertisement with the required details of 9th AGM, for information of the Members.

i) Members having more than one folio in identical names are requested to consolidate the same.

j) The Company has fixed Friday, August 08, 2025 as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2025, if approved at the AGM.

k) Dividends are declared based on profits (including retained earnings) available for the distribution. On May 22, 2025, the Board of Directors have proposed a final dividend of Re. 1/- per share in respect of the year ended March 31, 2025. The total proposed dividend amounts to Re. 1/- per share, subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 10.54 Crore.

l) As per Indian Income Tax Act, 1961 dividend paid and distributed by a Company is taxable in the hands of shareholders. Therefore, the Company is required to deduct taxes at source (TDS) at the rates applicable on the amount distributed to the shareholders at prescribed rates. For information on prescribed rates, shareholders are requested to refer to the Finance Act, 2020 and subsequent amendments thereof. The shareholders are requested to update their PAN details, tax residential status with RTA (in case of shares held in physical mode) and depository participants (in case shares held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 2025-26 does not exceed ₹ 10,000/- The withholding tax rate (TDS rate) would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company.

A declaration must be filed with the Company, where the whole or any part of the dividend income is assessable under the provisions of the Act in the hands of a person other than the member in accordance with the Rule 37BA(2) of the Income Tax Rules, 1962. The declaration must consist of Name, Address, Income Tax PAN of the person to whom credit is to be given and payment or credit in relation to which credit has to be given and reason for giving credit to such person. In case the Company does not receive such declarations on or before August 08, 2025, the Company reserves the right to reject such declaration. A resident individual shareholder with PAN who is not liable to pay income tax can submit a yearly declaration in Form 15G/15H. To avail the benefit of non-deduction of tax, members may update their details at forms to Company's RTA at https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html or send an email to rnt.helpdesk@in.mpms.mufg.com by Friday, August 08, 2025 (upto 6.00 p.m. IST). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by updating details at https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html alternatively send an email to rnt.helpdesk@in.mpms.mufg.com The said declarations need to be submitted by Friday, August 08, 2025 (up to 6.00 p.m. IST).

The Company is not obligated to apply the Beneficial Tax Treaty rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email ID mentioning their Name, DP ID and Client ID / Folio number, PAN, Mobile Number at investors@flairpens.com from July 28, 2025 (9:00 a.m. IST) to August 14, 2025 (5:00 p.m. IST). Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

m) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

n) All documents referred in the accompanying Notice and Statement setting out material facts will be available electronically for inspection for Members on all working days between 9.30 a.m. and 11.30 a.m. up to Tuesday, August 19, 2025, being the date of the AGM. Members seeking to inspect such documents can send an email at : investors@flairpens.com.

o) Instructions for Remote E-voting before AGM:

In compliance with the provisions of Section 108 of Act and Rule 20 of the Companies (Management and

Notice (Contd.)

Administration) Rules, 2014 and the provisions of the Regulation 44 of the Listing Regulations, 2015, the members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by MUFG Intime India Private Limited, on all resolutions set forth in this Notice. As per the SEBI circular dated December 09, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

b) Enter user id and password. Post successful authentication, click on "Access to e-voting".

c) Click on "MUFGINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to MUFG Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.

b) Proceed with updating the required fields.

c) Post registration, user will be provided with Login ID and password.

d) After successful login, click on "Access to e-voting".

e) Click on "MUFGINTIME" or "e-voting link displayed alongside Company's Name" and you will be redirected to MUFG Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

a) Visit URL: https://www.evoting.nsdl.com/.

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "MUFGINTIME" or "e-voting link displayed alongside Company's Name" and you will be redirected to MUFG Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com.

b) Click on New System Myeasi.

c) Login with user id and password.

d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., MUFGINTIME, for voting during the remote e-voting period.

e) Click on "MUFGINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to MUFG Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration.

b) Proceed with updating the required fields.

c) Post registration, user will be provided Login ID and password.

Notice (Contd.)

d) After successful login, user able to see e-voting menu.

e) Click on "MUFGINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to MUFG Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL:

a) Visit URL: https://www.cdslindia.com/.

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account.

e) After successful authentication, click on "MUFGINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to MUFG Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility:

a) Login to DP website.

b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.

c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on "MUFGINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to MUFG Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of MUFG Intime as under:

1. Visit URL: https://instavote.linkintime.co.in

2. 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. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

   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 holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

   Shareholders holding shares in **NSDL form, shall provide 'D' above*

   - 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).
   - Click "confirm" (Your password is now generated).

3. Click on 'Login' under **'SHARE HOLDER'** tab.

4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on **'Submit'**.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

2. E-voting page will appear.

3. 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).

Notice (Contd.)

4. 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 ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration:

a) Visit URL: https://instavote.linkintime.co.in.

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund".

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section.

c) Map the Investor with the following details:

   a. 'Investor ID' -

      i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678.*

      ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*

   b. 'Investor's Name - Enter full name of the entity.

   c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

   d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting:

The corporate shareholder can vote by two methods; once remote e-voting is activated:

METHOD 1 - VOTES ENTRY:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) 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).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) 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. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select **'View'** icon for **'Company's Name / Event number'**. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Notice (Contd.)

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact MUFG Intime INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

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 evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form 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 MUFG Intime: https://instavote.linktime.co.in.

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

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail 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 a minimum of 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.

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID.

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat 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 MUFG Intime: https://instavote.linkintime.co.in.

- Click on **'Login'** under **'Corporate Body/ Custodian/Mutual Fund'** tab and further Click **'forgot password?'**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail 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 a minimum of 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

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.

Notice (Contd.)

- 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".

Other e-voting Instructions

i. Members of the Company holding shares in electronic form as of the cut-off date of August 12, 2025 may cast their vote by remote e-voting. The remote e-voting period commences on Friday, August 15, 2025 at 9:00 a.m. (IST) and ends on Monday, August 18, 2025, at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-voting before the AGM and e-voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the cut-off date of August 12, 2025. Subject to receipt of the requisite number of votes, the Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e. August 19, 2025. The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website www.evoting.nsdl. com or the Company's website www.flairworld.in.

ii. Members will be provided with the facility for voting through an electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the Member has already cast the vote through remote e-voting.

iii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on August 12, 2025.

iv. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting and voting during the AGM.

v. Mr. Keshav Purohit, Partner, M/s. KPUB & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.

vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.flairworld.in within two days of the 9th AGM of the Company to be held on Tuesday, August 19, 2025.

vii. The contact details for Registrar and Transfer Agent: MUFG Intime India Private Limited, Tel. No. 022 4918 6270, E-mail: rnt.helpdesk@in.mpms.mufg.com.

m) Instructions for Members to attend the AGM through (VC/OAVM):

Members are entitled to attend the AGM through VC/ OAVM provided by RTA, MUFG Intime India Private Limited, by following the below mentioned process:

i. Facility for joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and shall be kept open till the expiry of 15 minutes after the scheduled time on first-come-first basis.

ii. Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

iii. Members will be provided with InstaMeet facility wherein they shall register their details and attend the AGM as under:

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.in.mpms.mufg.com & Click on **"Login"**.
2. Select the **"Company"** and **'Event Date'** and register with your following details: -

   A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No.

   - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
   - Shareholders/ members holding shares in **NSDL demat account shall provide**

Notice (Contd.)

8 Character DP ID followed by 8 Digit Client ID

- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

3. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first come first serve basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
6. Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

   Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@in.mpms.mufg.com or contact our RTA on: - Tel: 022-49186175.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5:

Pursuant to Section 204 of the Companies Act, 2013 ('the Act') the Company has to annex to its Board's Report a Secretarial Audit Report given by a practicing company secretary in the format as may be prescribed. Rule 9 of the Companies (Appointment and Remuneration) Rules 2014 prescribes Form MR-3 for the said Secretarial Audit Report. Further, Section 179 of the Act read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 provide that the appointment of Secretarial Auditor shall be made by the Board at the meeting of the Board.

SEBI vide its notification dated 12th December, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the Listing Regulations). The Amended regulation read with the SEBI circular no. SEBI/HO/CFD/CFDPoD-2/CIR/P/2024/185 dated December 31, 2024 (the Circular) have inter-alia prescribed the term of appointment/re-appointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company.

As per the amended Regulation 24A of the Listing Regulations, the Company and its material unlisted subsidiary company incorporated in India (i.e. Flair Writing Equipments Private Limited) is required to undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and annex a Secretarial Audit Report in such form as specified by SEBI, with the annual report of the Company.

Pursuant to the amended Regulation 24A of the Listing Regulations, w.e.f. April 01, 2025, every Listed Company on the recommendation of the Board of Directors shall appoint or re-appoint (i) an Individual as Secretarial Auditor for not more than one term of five consecutive years or (ii) a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years with the approval of its shareholders in its Annual General Meeting.

In accordance with the above, the Board of Directors at its meeting held on July 25, 2025 considered, approved and recommended to the Shareholders of the Company for their approval, the appointment of M/s. KPUB &Co., a firm of Company Secretaries in practice, (Firm Registration No. P2015MH069000), as Secretarial Auditors of the Company at the ensuing 9th Annual General Meeting for a term of 5 consecutive Years, to conduct Secretarial Audit of five consecutive financial years respectively ending on March 31, 2026, March 31, 2027, March 31, 2028, March 31, 2029 and March 31, 2030 (the Term) and issue (i) the Secretarial Audit Report under Section 204 of the Act for the Term and (ii) the Secretarial Audit Reports under Regulation 24A(1)(a) of the Listing Regulations for the Term. The Board of Directors have approved that in addition to issuing the Secretarial Audit Report the Secretarial Auditors shall also issue to the Company (i) the Secretarial Compliance Report under Regulation 24A(2) of the Listing Regulations for the Term (ii) the Compliance certificate regarding compliance of conditions of corporate governance as may be required under Para E of Schedule V of the Listing Regulations for the Terms and (iii) the certificate on qualification of the directors as may be required under sub-clause (i) of clause 10 of Paragraph C of Schedule V of Listing Regulations for the Term and (iv) such other certificates or reports or opinions which can be issued by the Secretarial Auditors under Applicable Laws. M/s. KPUB & Co., have consented to the said appointment and confirmed that their appointment, if made, would be within the limit specified by the Institute of Companies Secretaries of India. They have further confirmed that they are not disqualified to be appointed as Secretarial Auditors in term of provisions of the Companies Act, 2013, the Companies Secretaries Act, 1980 and Rules and Regulations made thereunder and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Circular. The Board of Directors of Flair Writing Equipments Private Limited, a material unlisted subsidiary company incorporated in India has also appointed M/s. KPUB &Co., as Secretarial Auditors for the Term.

Brief profile of M/s. KPUB &Co., Company Secretaries in practice as under:

M/s. KPUB & Co., Company Secretaries, Mumbai, was formed in the year 2015 by professionals of varied skill sets, to bring out synergy in corporate legal and corporate advisory services with a pivotal role in Secretarial Audit. Catering to a wide range of clients, including a large number of listed and multinational companies, its strength is its team of qualified, experienced and trained professionals who treasure the value of diligence and knowledge. The firm is peer reviewed in terms of the peer review guidelines issued by the ICSI. More details of the firm are available at their website at the weblink: http://kpub.co.in/.

Other disclosures

No order has been passed by ICSI/SEBI/MCA/any other competent authority/Court, both in India or outside India, in the past 5 years against the proposed secretarial auditor. M/s. KPUB & Co., did not have any association with the Company, its holding or subsidiary companies or any of the Promoter or Promoter Group entities during the last three financial years. The Board after taking into account the qualification and experience of M/s. KPUB & Co., and the certificate submitted by them, was of the opinion that they are qualified to be appointed as the Secretarial Auditors of the Company in accordance with the Listing Regulations and the Circular, the qualification and experience of M/s. KPUB & Co., is commensurate with the size and requirements of the Company and have accordingly recommended their appointment as the Secretarial Auditors for the term, as set out in the proposed resolution, to the members of the Company. It is further proposed that the remuneration to be paid to the Secretarial Auditor for issuing the Secretarial Audit Report and other report, certificates or opinions as the Board may approve to obtain from the Secretarial Auditors, may be determined, from time to time, by the Board or any committee of the Board or any officer of the Company authorised by the Board in this regard. In addition to the remuneration, the Secretarial Auditor shall be entitled to receive the out of pocket expenses as may be incurred by them during the course of the Audit or issuance of any other certificate or report or opinion. The consent cum certificate and Peer Review Certificate received from M/s. KPUB & Co., and the letter of engagement inter-alia containing the terms of engagement including remuneration shall be available for inspection by the members in electronic form up to the date of Annual General Meeting. The members seeking to inspect these documents may send an email request to investors@flairpens.com. None of the Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this item.

The Board recommends the Ordinary Resolution as set out in Item No. 5 of this Notice for approval of the Members.

By Order of the Board of Directors
For **Flair Writing Industries Limited**

Place: Mumbai
Date: July 25, 2025

Vishal Kishor Chanda
Company Secretary & Compliance Officer

Registered Office:
Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India;
CIN: L51100MH2016PLC284727
E-mail: investors@flairpens.com
Website: www.flairworld.in
Phone- +91 (22) 42030405

Annexure A

Notes on Director/s seeking appointment/re-appointment

As required under Regulation 36(3) of the Listing Regulations, 2015 and Secretarial Standards on General Meetings, particulars of Director/s who is/are to be appointed/re-appointed are given below:

Sr. No.	Name of Director	Mr. Khubilal Jugraj Rathod	Mr. Rajesh Khubilal Rathod
1	Director Identification Number	00122867	00122907
2	Date of Birth	July 10, 1950	January 11, 1972
3	Director since	August 12, 2016	August 12, 2016
4	Qualifications	Matriculate Education	Bachelor of Commerce
5	Nature of Expertise in functional areas	Leadership, Strategic Planning, Industry experience, Global business, Corporate Governance	Leadership, Strategic Planning, Industry experience, Global business, Corporate Governance
6	Skills and Capabilities of Independent Director	NA	NA
7	List of other Directorships in India	1. Writing Instruments Manufacturers Organization (India) 2. Flair Writing Equipments Private Limited 3. Pentel Stationery (India) Private Limited	1. Flair Writing Equipments Private Limited 2. Flair Cyrosil Industries Private Limited 3. Monterosa Stationery Private Limited 4. Flomaxe Stationery Private Limited 5. Flair Pens Limited 6. Writing Instruments Manufacturers Organization (India)
8	Chairmanship/Membership of Audit and Stakeholders' Relationship Committees in other Public companies	Audit Committee- Nil Stakeholders Relationship Committee- Nil	Audit Committee- Nil Stakeholders Relationship Committee- One
9	Relationship with other Directors and Key Managerial Personnel	Brother of Mr. Vimalchand Jugraj Rathod- Managing Director Father of Mr. Rajesh Khubilal Rathod- Whole-Time Director Father of Mr. Mohit Khubilal Rathod- Whole-Time Director Uncle of Mr. Sumit Rathod- Whole-Time Director	Son of Mr. Khubilal Jugraj Rathod- Chairman & Whole-time Director Brother of Mr. Mohit Khubilal Rathod- Whole-Time Director Nephew of Mr. Vimalchand Jugraj Rathod- Managing Director Cousin of Mr. Sumit Rathod- Whole-Time Director
10	No. of Shares held in the Company	1,65,92,235 Equity Shares	82,76,380 Equity Shares
11	No. of Board Meetings attended during last Financial Year	7 Board meetings out of 7 Board meetings held	6 Board meetings out of 7 Board meetings held
12	Details of Remuneration paid/ sought to be paid	₹ 72,60,000/- per annum in FY 2024-25	₹ 72,60,000/- per annum in FY 2024-25
13	Terms and conditions of appointment	Executive Director – Whole- Time Director, liable to retire by rotation	Executive Director – Whole- Time Director, liable to retire by rotation

Corporate Information

Board of Directors

Mr. Khubilal Jugraj Rathod
Chairman & Whole-time Director

Mr. Vimalchand Jugraj Rathod
Managing Director

Mr. Rajesh Khubilal Rathod
Whole-time Director

Mr. Mohit Khubilal Rathod
Whole-time Director

Mr. Sumit Rathod
Whole-time Director

Mr. Punit Saxena
Independent Director

Mr. Rajneesh Bhandari
Independent Director

Mr. Manoj Vinod Lalwani
Independent Director

Mrs. Sheetal Bhanot Shetty
Independent Director

Mr. Deven Bipin Shah
Independent Director

Chief Financial Officer

Mr. Alpesh Ambalal Porwal

Company Secretary & Compliance Officer

Mr. Vishal Kishor Chanda

Statutory Auditors

M/s. Jeswani & Rathore,
Chartered Accountants, Mumbai

Internal Auditors

M/s. ASA & Associates LLP,
Chartered Accountants, Mumbai

Secretarial Auditors

M/s KPUB & Co.,
Company Secretaries, Mumbai

Registered Office of the Company

Flair House
Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC,
Andheri (East), Mumbai – 400093, Maharashtra, India
Tel: +91-22-42030405
Email- investors@flairpens.com
Website- www.flairworld.in

Registrar and Share Transfer Agent

MUFG Intime India Private Limited
C-101, 1st Floor, 247 Park L.B.S. Marg Vikhroli (West),
Mumbai 400 083 Maharashtra, India
Tel: +91 8108116767

List of Bankers

1. Citibank NA
2. Axis Bank Limited
3. HDFC Bank Limited
4. Bank of Baroda
5. Tamilnad Mercantile Bank Limited
6. IndusInd Bank Limited

Board's Report

Dear Members, Your Directors have pleasure in presenting the 9th (Ninth) Annual Report on the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2025.

Financial Performance

The financial performance of your Company for the Financial Year ended March 31, 2025 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024
Revenue from Operations	94931.44	91866.27	107986.03	97872.48
Other Income	3501.06	2002.39	2459.74	1452.90
Total Income	**98432.50**	**93868.66**	**110445.78**	**99325.38**
Profit before Finance Cost, Depreciation, Impairment and Amortisation expenses	18740.79	19545.90	20933.99	20577.03
Less: Finance Cost	383.63	767.09	526.09	1015.01
Profit before Depreciation, Impairment and Amortisation expenses	**18357.16**	**18778.81**	**20407.9**	**19562.02**
Depreciation, Impairment & Amortisation expenses	3271.14	2933.53	4473.61	3681.01
Profit before Taxes	**15086.02**	**15845.28**	**15934.29**	**15881.01**
Less: Provision for Current Tax	3871.81	4061.13	4070.40	4154.97
Provision for Deferred Tax	6.16	(32.73)	(41.73)	(122.55)
Tax adjustments for the earlier years	(3.22)	0.42	(2.81)	0.47
Profit for the year	**11211.27**	**11816.46**	**11908.43**	**11848.11**
Transfer to General Reserve	NIL	NIL	NIL	NIL
EPS (Basic and diluted) (amount in ₹)	10.64	12.11	11.35	12.19

Consolidated Financial Statements

The Consolidated Financial Statements of your Company for the Financial Year 2024-25 ('FY 2024-25') ended March 31, 2025 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'] which shall also be provided to the Members in their forthcoming Annual General Meeting ('AGM').

Performance and State of the Company's Affairs

During the year under review, the Standalone revenue from operations increased by 3.35% to ₹ 94931.44 lakhs as against ₹ 91866.27 lakhs in the previous financial year. The net profit after tax decreased by 5.12% to ₹ 11211.27 lakhs as against ₹ 11816.46 lakhs in the previous financial year. The consolidated revenue from operations increased by 10.3% to ₹ 107986.03 lakhs as against ₹ 97872.48 lakhs in the previous financial year. The consolidated net profit after tax increased by 0.5% to ₹ 11908.43 lakhs as against ₹ 11848.11 lakhs in the previous financial year.

In India, our products are distributed through an extensive and well-integrated nationwide sales and distribution network, encompassing super-stockists, distributors, direct dealers, wholesalers, and retailers. In addition to conventional trade channels, our presence extends across modern retail formats and leading e-commerce platforms, ensuring seamless product accessibility across diverse consumer touchpoints.

We also cater to institutional requirements by offering tailored corporate gifting solutions to our enterprise clients. As of March 31, 2025, our Company commands the largest distribution and retail footprint in the Indian writing instruments industry, with approximately 192 super-stockists, over 8,000 distributors and dealers, and a robust network of more than 3,30,000 wholesalers and retailers, covering over 6,500 pin codes nationwide. Our dedicated Flair Sporty division operates as the super-stockist for the Mumbai region, further strengthening our regional distribution capabilities.

On the international front, we are India's largest exporter of writing instruments, with a global presence spanning 115 countries. Our export operations are supported by 68 international distributors, each responsible for designated territories or countries. In addition, we serve as an Original Equipment Manufacturer (OEM) for select global brands, producing writing instruments for both international and domestic markets.

Board's Report (Contd.)

Public Deposits

Your Company has not accepted any deposits during the year under review falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

Transfer to General Reserve

Your Company has not transferred any amount to General Reserve for the FY 2024-25.

Change in the Nature of Business, if any

During the year under review, there was no change in the nature of business of the Company

Dividend Distribution Policy

The Board of Directors of the Company in their meeting held on June 09, 2023 approved and adopted a Policy on Distribution of Dividend to comply with Regulation 43A of SEBI (LODR) Regulations and the same is uploaded on website of the Company at https://flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Dividend_Distribution_Policy.pdf

Declaration and payment of dividend

The Board is pleased to recommend a dividend of ₹ 1/- per equity share of the Company of ₹5/- each (20%) for the year ended March 31, 2025. The Board recommended dividends based on the parameters laid down in the Dividend Distribution Policy and the dividend will be paid out of the profits for the year. The said dividend on equity shares is subject to the approval of the Shareholders at the ensuing Annual General Meeting ("AGM") scheduled to be held on Tuesday, August 19, 2025. If approved, the dividend would result in a cash outflow of ₹ 10,53,95,378 (Rupees Ten Crore Fifty-Three Lakh Ninety-Five Thousand Three Hundred Seventy-Eight).

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

Material changes affecting the financial position of the Company occurred between the end of the financial year and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report.

Secretarial Standards

The Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

Change in Share Capital

The Authorised Share Capital of the Company is ₹ 550,000,000/- (Rupees Five Hundred Fifty Million only) divided into 110,000,000 (One Hundred and Ten million) Equity Shares of face value of ₹ 5/- (Rupees Five only) each. There is no change in the share capital of the Company.

Sub-Division/Split of Equity Shares

During the year under review, there has been no change in the face value of Issued, Subscribed and Paid-up Equity Share Capital of the Company. The face value of Issued, Subscribed and Paid-up Equity Share Capital is ₹5/- each fully paid-up.

Related Party Transactions

To comply with the provisions of Sections 177 and 188 of the Act, along with relevant Rules and Regulation 23 of SEBI (LODR) Regulations, your Company obtained prior approval of the Audit Committee before engaging in related party transactions.

Throughout the fiscal year 2024-25, all related party transactions (RPTs), as defined under the Act and Listing Regulations, were conducted in the ordinary course of business and at arm's length. These transactions did not fall under the purview of Section 188 of the Act of 2013 and its associated rules. No significant transactions with related parties that posed conflicts of interest necessitated Company approval as per Listing Regulations. Furthermore, there were no such transactions that necessitated reporting in Form No. AOC-2, as per Section 134(3)(h) in conjunction with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Routine transactions with related parties, such as promoters, holdings, subsidiaries, and associates, were reported in compliance with Indian Accounting Standard 24 (IND AS 24), detailed in the Annual Report for the year ending March 31, 2025. The Company has established a Policy on Related Party Transactions in accordance with the Act and SEBI (LODR) Regulations. This policy ensures comprehensive processes for reporting, approval, and disclosure of transactions between the Company and related parties. The policy document is available for reference on the Company's website at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Policy_on_Materiality_of_Related_Party_Transactions.pdf

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Standalone Financial Statements.

Board's Report (Contd.)

Particulars of Deposits

The Company has not accepted any deposit (under Rule 2(1)(c) of the Companies [Acceptance of Deposits] Rules, 2014) within the meaning of Sections 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

Subsidiaries, Associates and Joint Ventures

During the year under review, your Company incorporated a wholly-owned subsidiary and a step-down subsidiary in the name and style of M/s. Monterosa Stationery Private Limited and M/s. Flomaxe Stationery Private Limited respectively.

The following are the details of the Company's subsidiaries:

Sr. No	Name of the Company	Relation with the listed entity	Percentage of holding
1.	Flair Writing Equipments Private Limited	Wholly-owned Subsidiary	100%
2.	Monterosa Stationery Private Limited	Wholly-owned Subsidiary	100%
3.	Flair Cyrosil Industries Private Limited	Subsidiary	90%
4.	Flomaxe Stationery Private Limited (Subsidiary of Flair Writing Equipments Private Limited)	Step-down Subsidiary	51%

The Company does not have any associates and joint venture companies.

To comply with the provisions of Section 129(3) of the Act, a separate statement containing salient features of Financial Statements of Subsidiaries, Associates and Joint Venture of your Company (including their performance and financial position) in prescribed Form AOC-1 forms part of this annual report as **Annexure – I**.

Financial Statements of the aforesaid Subsidiary companies are kept open for inspection by the Members at the Registered Office of your Company on all days except Saturday, Sunday and Public Holiday up to the date of AGM i.e. August 19, 2025 between 11:00 a.m. to 5:00 p.m. as required under Section 136 of the Act. Any member desirous of obtaining a copy of the said Financial Statements may write to the Company at its Registered Office or Corporate Office. The Financial Statements including the Consolidated Financial Statements and all other documents required to be attached with this Report have been uploaded on website of the Company under Investor Relations page at https://flairworld.in/

To comply with the provisions of Regulation 16(1)(c) of SEBI (LODR) Regulations, the Board of Directors of the Company have approved and adopted a Policy for determination of Material Subsidiary. As on March 31, 2025, none of the subsidiaries are identified as a material subsidiary of the Company in terms of the said Policy. Policy for determination of Material Subsidiary is uploaded on website of the Company at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Policy_on_Determining_Material_Subsidiary.pdf

Directors and Key Managerial Personnel

Directors

To comply with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mr. Khubilal Jugraj Rathod (DIN: 00122867) and Mr. Rajesh Khubilal Rathod (DIN: 00122907), Whole-time Directors, are liable to retire by rotation at the ensuing AGM and being eligible, seek re-appointment. The Board of Directors, on the recommendation of Nomination and Remuneration Committee ('NRC'), recommended their re-appointment for consideration by the Members at the ensuing AGM.

Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations and are in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties as Independent Directors of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity (including the proficiency) and fulfils the conditions specified in the Act read with Rules made thereunder and SEBI (LODR) Regulations and are eligible & independent of the management.

Board's Report (Contd.)

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act. Brief resume and other details of the Directors being appointed/re-appointed at the ensuing AGM as stipulated under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI (LODR) Regulations, is separately disclosed in the Notice of ensuing AGM.

Key Managerial Personnel

During the year under review, Mr. Khubilal Jugraj Rathod-Chairman (DIN: 00122867), Mr. Vimalchand Jugraj Rathod (DIN-00123007)- Managing Director, Mr. Rajesh Khubilal Rathod (DIN – 00122907), Mr. Mohit Khubilal Rathod (DIN- 00122951) and Mr. Sumit Rathod (DIN- 02987687), Whole-time Directors of the Company, Mr. Alpesh Ambalal Porwal - Chief Financial Officer w.e.f. July 03, 2024 and Mr. Vishal Chanda, Company Secretary and Compliance officer of the Company, continued to be the Key Managerial Personnel of your Company in accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Mr. Mayur Gala, Chief Financial Officer, has resigned w.e.f. June 29, 2024 and Mr. Alpesh Ambalal Porwal was appointed as the Chief Financial Officer w.e.f. July 03, 2024.

Board Evaluation

To comply with the provisions of Section 134(3)(p) of the Act and Rules made thereunder and Regulation 17(10) of SEBI (LODR) Regulations, the Board has carried out the annual performance evaluation of the Directors individually including the Independent Directors (wherein the concerned Director being evaluated did not participate), Board as a whole and following Committees of the Board of Directors:

i. Audit Committee;

ii. Risk Management Committee;

iii. Nomination and Remuneration Committee;

iv. Stakeholders' Relationship Committee; and

v. Corporate Social Responsibility Committee.

The manner in which the annual performance evaluation has been carried out is explained in the Corporate Governance Report which forms part of this report. Board is responsible to monitor and review the evaluation framework.

Further, to comply with Regulation 25(4) of SEBI (LODR) Regulations, Independent Directors also evaluated the performance of Non-Independent Directors, Chairman and Board as a whole at a separate meeting of Independent Directors held on January 30, 2025.

Board and Committees of the Board

The number of meetings of the Board and various Statutory Committees of the Board including composition are set out in the Corporate Governance Report which forms part of this report. The intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Act and SEBI (LODR) Regulations.

Remuneration Policy

To comply with the provisions of Section 178 of the Act and Rules made thereunder and Regulation 19 of SEBI (LODR) Regulations, the Company's Remuneration Policy for Directors, Key Managerial Personnel (KMP), Senior Management and other Employees of the Company is uploaded on website of the Company at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Nomination_Remuneration_Policy.pdf.

The Policy includes, inter alia, the criteria for appointment and remuneration of Directors, KMPs, Senior Management Personnel and other employees of the Company.

Remuneration of Directors, Key Managerial Personnel and Particulars of Employees

The statement of disclosure of remuneration under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is attached to this report as **Annexure – II**.

The statement containing particulars of top 10 employees and particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said statement is also available for inspection by the Members at the Registered Office of your Company on all days except Saturday, Sunday and Public Holiday up to the date of AGM i.e. August 19, 2025 between 11:00 a.m. to 5:00 p.m. None of the employees listed in the said Annexure are related to any Director of the Company.

Auditors and Auditor's report

A. Statutory Auditors:

In compliance with the Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s. Jeswani & Rathore, Chartered Accountants, (FRN: 104202W) were re-appointed as Statutory Auditors of the Company by the shareholders of the Company in its Seventh Annual General Meeting held on June 26, 2023, to hold office for a period of 3 (three) consecutive years from the conclusion of the 7th (Seventh) Annual General Meeting until the conclusion of the 10th (Tenth) Annual

Board's Report (Contd.)

General Meeting to be held in year 2026. They have also confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

The Statutory Auditor's Report for the FY 2024-25 does not contain any qualification, reservation or adverse remark and forms part of the Annual Report. The Statutory Auditors have not reported any fraud under Section 143(12) of the Act.

B. Cost Audit

In terms of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable on the Company for the FY 2024-25.

C. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Board of Directors on recommendation of the Audit Committee, has appointed M/s. KPUB & Co, Company Secretaries (Firm Registration No.: P2015MH069000) to conduct Secretarial Audit of your Company.

The Secretarial Audit Report for the FY 2024-25 with reservation, qualification or adverse remark (if any) is attached to this report as **Annexure - III**.

As per Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the listed entity shall submit to the stock exchanges disclosures of related party transactions every six months on the date of publication of its standalone and consolidated financial results. However, Disclosure of related party transactions of the Company for the six months' period ended March 31, 2024, was filed 2 days after the date of publication of its standalone and consolidated financial results for the year ended March 31, 2024 on the Stock Exchanges.

In this regard, your Company confirms that the matter was placed before the Board, and the Company has taken note of the delay. Necessary steps have been taken to strengthen internal processes and ensure timely compliance with all applicable regulatory requirements in the future.

In compliance with the provisions of the SEBI Listing Regulations, on the recommendation of the Audit Committee, the Board of Directors recommended the appointment of M/s KPUB & CO. (KPUB) (Firm Registration No. P2015MH069000) as the Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from FY 2025-26 till FY 2029-2030, to conduct the Secretarial Audit of the Company and to issue the Secretarial Audit Report. The proposal forms part of the notice of 9th AGM.

M/s KPUB & CO. had confirmed their eligibility and independence and had also expressed their willingness to accept the appointment upon approval. Brief profile of the Secretarial Auditors is available on the website of the Company at http://kpub.co.in/

D. Internal Auditors:

The Board of Directors of the Company has appointed M/s. ASA & Associates LLP, Chartered Accountants (Registration No. AAB- 7688) as the Internal Auditor of the Company for the FY 2024-25. The reports submitted by the Internal Auditor have been reviewed by the Audit Committee at regular intervals.

E. Internal Financial Controls

Your Company has in place adequate Internal Financial Controls. The report on Internal Financial Controls issued by M/s. Jeswani & Rathore, Chartered Accountants, Statutory Auditors of the Company is annexed to the Audit Report on the Financial Statements of the Company and does not contain any reportable weakness in the Company.

F. Quality Certification

The Company continued to have ISO 9001:2008 certification for 'Quality Management System Standard' and ISO 14001:2004 certification for 'Environment Management System Standard'.

G. Risk Management

Risk Management is integral to your Company's strategy and for the achievement of our long-term goals. Our success as an organisation depends on our ability to identify and leverage the opportunities while managing the risks.

The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that the risks are brought within acceptable limits. There is no major risk which may threaten the existence of the Company Our approach to risk management is designed to provide reasonable assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to Company's Senior Management, the Audit Committee, the Risk Management Committee and the Board. Your Company has framed and implemented a robust Risk Management Policy for the assessment, evaluation and minimisation of risk, which may be accessed at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Risk_Management_Policies_and_Procedure.pdf.

H. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

To comply with the provisions of Section 134 of the Act and Rules made thereunder, your Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and

Board's Report (Contd.)

Redressal) Act, 2013. During the year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In compliance with the General Circular No. G.S.R. 357(E) dated May 30, 2025 issued by the Ministry of Corporate Affairs, the details of the complaints received during the Financial Year 2024-25 by the Company are as follows:

Particulars	No of Complaints
Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed off during the year; and	N.A.
Number of cases pending for more than ninety days	N.A.

I. Provisions of Maternity Benefit Act, 1961

The company is in compliance with the provisions of the Maternity Benefit Act, 1961. The company provides maternity leaves and other necessary facilities and entitlements as mentioned under the law. There are no discriminatory practices followed against women employees due to maternity or childbirth. The company ensures gender equality and women's welfare at the workplace.

J. Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of SEBI (LODR) Regulations, the Company has adopted a Vigil Mechanism/Whistle Blower Policy to provide a platform to the Directors and Employees of the Company to raise concerns regarding any irregularity, misconduct or unethical matters/dealings within the Company. The same is detailed in the Corporate Governance Report which forms part of this report as **Annexure- VIII**.

K. Corporate Social Responsibility (CSR)

Your Company has a Corporate Social Responsibility Policy which is uploaded on website of the Company at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Corporate_Social_Responsibility.pdf. Annual Report on CSR activities for the FY 2024-25 as required under Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is attached to this report as **Annexure - IV**.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, the Directors state that:

a) in the preparation of the annual accounts for the FY 2024-25, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2025 and of the profits of the Company for the period ended on that date;

c) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls were adequate and operating effectively; and

f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Other Information

I. Management Discussion & Analysis Report

Management Discussion & Analysis Report for the Financial Year 2025, as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations, forms part of the Annual Report as **Annexure - V**.

II. Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report for the FY 2024-25 describing the initiatives taken by the Company from an Environment, Social and Governance perspective as stipulated under Regulation 34(2)(f) of SEBI (LODR) Regulations forms part of the Annual Report as **Annexure - VI**.

III. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached to this report as **Annexure - VII**.

Board's Report (Contd.)

IV. **Corporate Governance Report**

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India. The report on Corporate Governance as stipulated under the SEBI (LODR) Regulations is attached to this report as **Annexure - VIII**.

The certificate from M/s. KPUB & Co, Practicing Company Secretaries confirming compliance with the conditions of corporate governance is also attached to the Corporate Governance Report.

V. **IBC Code & One-time Settlement:**

There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). There has not been any instance of one-time settlement of the Company with any bank or financial institution.

Listing

The Equity Shares of the Company are listed on the National Stock Exchange of India Limited and BSE Limited. Both these stock exchanges have nation-wide trading terminals. Annual listing fee for the FY 2024-25 has been paid to the National Stock Exchange of India Limited and BSE Limited.

Annual Return

Pursuant to Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company is uploaded on website of the Company at https://www.flairworld.in/investor-relation.aspx

Research and Development

During the year under review, no Research & Development was carried out.

Cautionary Statement

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

General

Your Directors confirm that no disclosure or reporting is required in respect of the following items as there was no transaction on these items during the year under review:

1. Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
2. The Whole-time Directors of the Company does not receive any remuneration or commission from any of its subsidiaries.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Issue of Sweat Equity Shares.
5. There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). There has not been any instance of one-time settlement of the Company with any bank or financial institution.

Acknowledgement

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions as well as efficient utilization of the Company's resources for sustainable and profitable growth.

Your Directors wish to place on record their appreciation for the sincere services rendered by employees of the Company at all levels. Your Directors also wish to place on record their appreciation for the valuable co-operation and support received from various Government Authorities, Banks/Financial Institutions and other stakeholders such as members, customers and suppliers, among others. Your Directors also commend the continuing commitment and dedication of employees at all levels which has been vital for the Company's success. Your Directors look forward to their continued support in future.

For **Flair Writing Industries Limited**

Khubilal Jugraj Rathod
Chairman

Date: July 25, 2025
Place: Mumbai

Annexure I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ in lakhs)

Sr. No	Particulars	Details	Details	Details	Details
1.	Name of the subsidiary	Flair Writing Equipments Private Limited	Flair Cyrosil Industries Private Limited	Monterosa Stationery Private Limited	Flomaxe Stationery Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2024 to 31-03-2025	01-04-2024 to 31-03-2025	29-11-2024 to 31-03-2025	27-12-2024 to 31-03-2025
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA
4.	Share capital	1.00	400.00	1.00	10.00
5.	Reserves & surplus	2,638.51	(1,114.79)	2.93	5.03
6.	Total assets	19,663.84	9,296.65	80.17	2191.81
7.	Total Liabilities	17,024.33	10,011.44	76.24	2176.77
8.	Investments	5.10	463.59	1.11	1.93
9.	Turnover	14,009.48	2,771.04	230.38	359.71
10.	Profit before taxation	1,448.78	(622.46)	3.91	6.58
11.	Provision for taxation	255.44	(106.85)	0.99	1.54
12.	Profit after taxation	1,193.34	(515.60)	2.93	5.03
13.	Proposed Dividend	NIL	NIL	NIL	NIL
14.	% of shareholding	100%	90%	100%	51%

Annexure I (Contd.)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1.	Name of associates/Joint Ventures	NA	NA	NA
2.	Latest audited Balance Sheet Date	NA	NA	NA
3.	Shares of Associate/Joint Ventures held by the company on the year end	NIL	NIL	NIL
A.	Number	NIL	NIL	NIL
B.	Amount of Investment in Associates/Joint Venture	NIL	NIL	NIL
C.	Extent of Holding%	NIL	NIL	NIL
4.	Description of how there is significant influence	NA	NA	NA
5.	Reason why the associate/joint venture is not consolidated	NA	NA	NA
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
7.	Profit/Loss for the year	NIL	NIL	NIL
A.	Considered in Consolidation	NA	NA	NA
B.	Not Considered in Consolidation	NA	NA	NA

Notes:

The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: **NA**
2. Names of subsidiaries which have been liquidated or sold during the year: **NA**

For **Flair Writing Industries Limited**

Khubilal Jugraj Rathod
Chairman & Whole-Time Director
DIN: 00122867

Place: Mumbai
Date: July 25, 2025

Registered Office:
Flair House, Plot No. A/64, Cross Road – A,
Marol Ind. Area, MIDC, Andheri (East),
Mumbai – 400093, Maharashtra, India

Annexure II

PARTICULARS OF REMUNERATION OF DIRECTORS/KMP/EMPLOYEES

DISCLOSURE UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 are as under:

Sr. No	Name of the Director / KMP and Designation	Ratio of remuneration to median remuneration	% increase in Remuneration in the FY 2024-25
1.	Mr. Khubilal Jugraj Rathod (Chairman & Whole-time Director)	44.83	10
2.	Mr. Vimalchand Jugraj Rathod (Managing Director)	44.83	10
3.	Mr. Rajesh Khubilal Rathod (Whole-time Director)	44.98	10
4.	Mr. Mohit Khubilal Rathod (Whole-time Director)	44.98	10
5.	Mr. Sumit Rathod (Whole-time Director)	44.98	10
6.	Mr. Alpesh Porwal (Chief Financial Officer) (Appointed w.e.f. July 03, 2024)	44.46	-
7.	Mr. Vishal Chanda (Company Secretary & Compliance Officer)	8.45	20.19

Note: Since Independent Directors received no remuneration, except sitting fee for attending Board/ Committee meetings, the required details are not applicable.

B. Percentage increase in the median remuneration of employees in the Financial Year: The average percentage increase in the median remuneration of employees in the Financial Year is 15.03%.

C. Number of permanent employees on the rolls of the Company: There were 5441 permanent employees on the rolls of Company as on March 31, 2025.

D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2024-25 was 4.72% whereas the increase in the managerial remuneration for the same financial year was 9.36%. There are no exceptional circumstances for increase in managerial remuneration. It is based on the Remuneration Policy of the Company and also not exceeding the limits specified under Section 197 read with schedule v of the Companies Act, 2013.

E. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration is as per the remuneration policy of the Company.

For **Flair Writing Industries Limited**

Sd/-
Khubilal Jugraj Rathod
Whole-Time Director & Chairman
DIN: 00122867

Sd/-
Vimalchand Jugraj Rathod
Managing Director
DIN: 00123007

Date: July 25, 2025
Place: Mumbai

Registered Office-
Flair House, Plot No. A/64, Cross Road - A,
Marol Ind. Area, MIDC, Andheri (East),
Mumbai - 400093, Maharashtra, India

Annexure III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
FLAIR WRITING INDUSTRIES LIMITED
CIN: L51100MH2016PLC284727
Flair House, Plot No. A/64, Cross Road - A, Marol Ind. Area,
MIDC, Andheri (East), Mumbai - 400093, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Flair Writing Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 And the Regulations and Bye-laws framed thereunder;

iv. Securities and Exchange Board of India (Depositories and Participant) Regulations 2018;

v. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment in India; The provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the financial year; and

vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

    a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

    b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 along with 2018 amendments;

    c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

    d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018#;

    e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#;

    f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008#;

    g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

    h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#; and

    i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time.

ii) The Equity Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Annexure III (Contd.)

#The Regulations or Guidelines, as the case may be, are not applicable for the period under review.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable subject to the following observation during examination of the relevant documents and records in pursuance thereof

As per Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the listed entity shall submit to the stock exchanges disclosures of related party transactions every six months on the date of publication of its standalone and consolidated financial results. However, Disclosure of related party transactions of the Company for the six months' period ended March 31, 2024, was filed 2 days after the date of publication of its standalone and consolidated financial results for the year ended March 31, 2024 on the Stock Exchanges.

We further report that -

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, Women Independent Director and Independent Directors. The changes in the composition of the Board of Directors of the Company during the year under review were in accordance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **KPUB & CO.,**
Company Secretaries
Firm Registration No: P2015MH069000

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
Mumbai | 10th July 2025
ICSI UDIN: A039702G000752535

This report is to be read with our letter of even date which is annexed as **'Exhibit 1'** and forms an integral part of this report.

'Exhibit 1'

To
The Members,
FLAIR WRITING INDUSTRIES LIMITED
CIN: L51100MH2016PLC284727
Flair House, Plot No. A/64, Cross Road - A, Marol Ind. Area,
MIDC, Andheri (East), Mumbai - 400093, Maharashtra, India

Our Secretarial Audit Report for the Financial Year ended on March 31, 2025 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KPUB & CO.,**
Company Secretaries
Firm Registration No: P2015MH069000

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
Mumbai | 10th July 2025
ICSI UDIN: A039702G000752535

Annexure IV

Annual Report on Corporate Social Responsibility

for financial year 2024-25

1) Brief outline on CSR Policy of the Company:

The Company's CSR Policy outlines its commitment towards contributing to sustainable economic development by improving the quality of life of the society at large. The policy focuses on areas such as promoting education, healthcare, environmental sustainability, and community development, as specified in Schedule VII of the Companies Act, 2013. CSR initiatives are undertaken through direct implementation as well as in collaboration with registered implementing partners.

2) Composition of CSR Committee:

Sr. No	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Khubilal Jugraj Rathod	Chairman- Whole-time Director	2	2
2.	Mr. Vimalchand Jugraj Rathod	Member- Managing Director	2	2
3.	Mr. Rajneesh Bhandari	Member-Independent Director	2	0
4.	Mr. Rajesh Khubilal Rathod	Member- Whole-time Director	2	2

3) Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. Web-link are as under:

- Composition of CSR Committee:

  https://www.flairworld.in/investor-relation.aspx

- CSR Policy:

  https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Corporate_Social_Responsibility.pdf

4) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No	Financial Year	Amount available for set-off from Preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
		NIL	

6) Average net profit of the Company as per section 135(5): ₹ **12,715.80 lakhs**

7) (a) Two percent of average net profit of the Company as per section 135(5): ₹ **254.30 lakhs**

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **NIL**

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ **254.30 lakhs**

Annexure IV (Contd.)

8) (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Total Amount transferred to Unspent CSR Account as per Section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
2,71,89,086	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year: ₹ 271.89 lakhs

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 271.89 lakhs

(g) Excess amount for set off, if any

Sr. No	Particular	Amount (In ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	2,54,31,667
(ii)	Total amount spent for the Financial Year	2,71,89,086
(iii)	Excess amount spent for the financial year [(ii)-(i)]	17,57,419
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	17,57,419

9) (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (In ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under			Amount remaining to be spent in succeeding financial years. (in ₹)
				Schedule VII as per section 135(6), if any.	Amount (in ₹)	Date of transfer.	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

Annexure IV (Contd.)

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). **– Not Applicable**

i. Date of creation or acquisition of the capital asset(s).

ii. Amount of CSR spent for creation or acquisition of capital asset.

iii. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

iv. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11) Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). - Not Applicable.

For **Flair Writing Industries Limited**

Sd/-
Khubilal Jugraj Rathod
(Whole-Time Director & Chairman, CSR Committee)
DIN: 00122867

Sd/-
Vimalchand Jugraj Rathod
(Managing Director)
DIN: 00123007

Date: July 25, 2025
Place: Mumbai

Registered Office-
Flair House, Plot No. A/64, Cross Road – A,
Marol Ind. Area, MIDC, Andheri (East),
Mumbai – 400093, Maharashtra, India

Annexure V

Management Discussion and Analysis

Economic Environment

Global Economic Overview[1]

The global economy exhibited growth of 3.3% in CY 2024, supported by fall in global inflation level and robust activity in the United States that overcame the softer performance in Europe. Headline inflation softened from 6.6% in CY 2023 to 5.7% in CY 2024, driven primarily by easing price pressures in advanced economies and a gradual deceleration of global demand.

However, prolonged trade tensions and the imposition of tariffs at record levels continued to weigh on international trade and business sentiment. Supply-chain disruption persisted, with ongoing bottlenecks in principal manufacturing and logistics networks.

Governments across the globe have implemented specific measures to boost economic activity and shore up their domestic economies. These include infrastructure investments, social welfare schemes, and business incentives. These actions are intended to enhance economic resilience and reduce the impact of geopolitical risks.

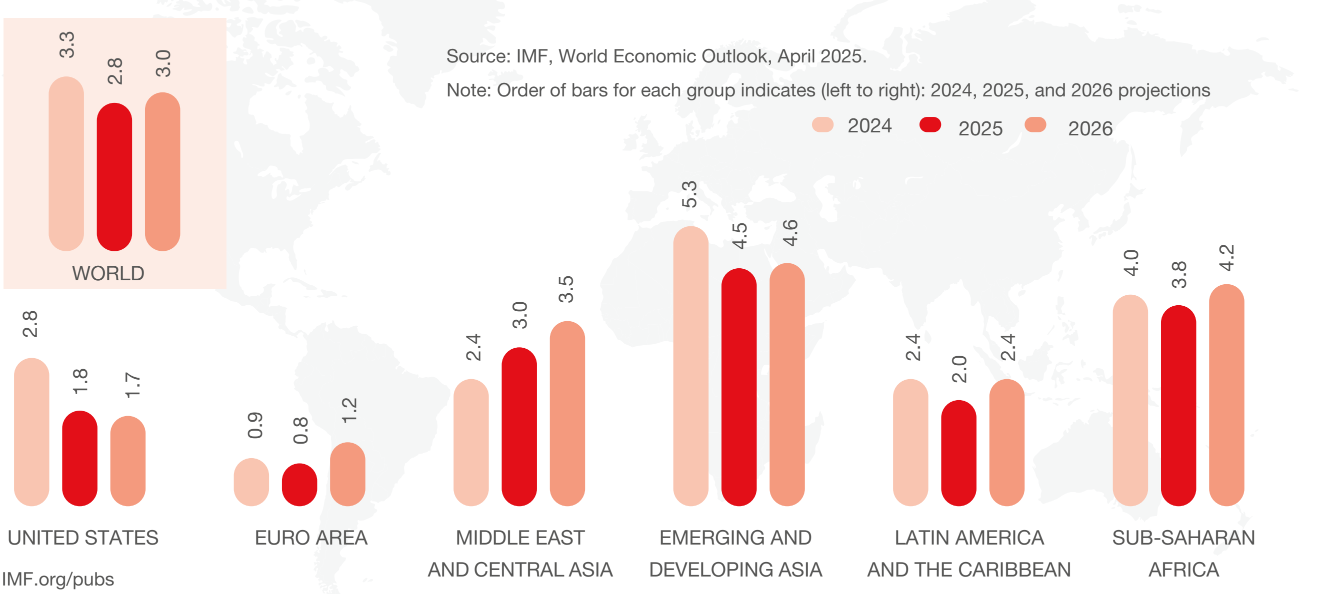
Advanced economies undertook structural reforms, utilising digitalisation and sustainable investments to mitigate demographic challenges and productivity constraints. Emerging markets and developing economies maintained steady growth driven by decreasing inflation level and robust manufacturing industries. In general, the global economy is at a crossroads between greater cooperation and rising fragmentation.

Outlook

Global expansion is anticipated to slow further in the near term as policy rebalancing picks up steam and trade policy volatility continues. Headline inflation will remain on a gradual downtrend, but with notable variation across regions based on regional demand conditions and policy measures. Exuberant trade tensions can cloud near-term consumption and long-term investment, which highlights the necessity of a stable trading environment to underpin a sustainable recovery. Enhanced global co-operation will be crucial to insulate from negative external shocks and maintain open markets.

Healthy ageing policies, technological innovation and increased labour force participation, can ease fiscal pressures and maintain growth. Upholding policy credibility will lock in inflation expectations for both emerging and advanced economies. Judicious fiscal management is crucial to maintain buffers against shocks. Investment in robust infrastructure can contribute to improved long-term growth and policies aimed at reconciling structural imbalances should go along with revived multilateral co-operation to navigate the prevailing uncertainty. These measures can provide both internal and external economic stability and steer the global economy towards a more sustainable growth trajectory.

Global Economic Outlook (in %)



[1]https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025

Management Discussion and Analysis (Contd.)

Indian Economic Overview[2]

The Indian economy continued to exhibit strong growth and show resilience during the turbulence worldwide in FY2024-25. Gross Domestic Product (GDP) grew at 6.5% for the year, led by solid private consumption and high government capital spending. The subdued growth in the second quarter rebounded by 6.2% in the third quarter, in account of increased activity in construction, trade and financial services.

Consumer price inflation headline averaged to 3.16% during the year, as food prices eased and supported base effects.[3] Merchandise exports grew strongly in double digits while a significant fall in oil and gold imports contributed to trimming the trade deficit. Factory jobs increased at one of the quickest paces since the initiation of the PMI survey and hiring by the services industry also continued to be robust. Urbanisation, paired with structural labour-market changes, have raised demand for private education as families pursue quality and accessibility.

Rural activity took advantage of a record foodgrain output as well as firm farm incomes while urban demand commenced showing signs of recovery. Government infrastructure projects like Pradhan Mantri Awas Yojna (PMAY) and Gati Shakti drove an 8-9% boost in steel demand for building and consumer durables.[4] Foreign portfolio outflows put intermittent pressure on the rupee, although domestic institutional investors stabilised market ownership. The real effective exchange rate of the rupee softened from its late 2024 high, giving some respite to exporters. Overall, good macro-fundamentals, including ample foreign exchange reserves, sustainable public debt ratios and a conservative fiscal stance have supported India's growth path and cushioned external headwinds.

Outlook

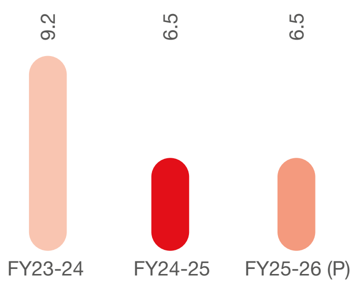
Looking ahead, GDP growth is projected to remain around 6.5% in FY2025-26. The Union Budget's balanced fiscal approach, with a rising capital expenditure-to-GDP ratio, is expected to support both the infrastructure sector and household consumption. The Government has significantly increased budget allocations for key sectors under the PLI Scheme in FY2025-26 to stimulate industrial expansion.

Retail inflation is likely to remain within the central bank's comfort zone, at 4% in FY2025-26, allowing for measured monetary easing if downside risks recede.

However, ongoing global trade tensions and tariffs uncertainty could restrain export growth and business investment. More robust supply-chain reconfigurations and diversified Foreign Direct Investment (FDI) inflows will be essential to maintaining export momentum. For the domestic economy, policies supporting increased labour-force participation, skill acquisition and rural income growth can support productivity. Increased integration of migrants and focused upskilling programs will also mitigate upcoming workforce shortages.

Sound fiscal management, along with greater financial inclusion and digital infrastructure, should maintain buffers for imminent shocks. International collaboration on trade and investment and sustained policy credibility will be critical in addressing external volatility and steering a consistent course towards inclusive and sustainable growth.

India's real GDP growth (in %)



P: (Projected)
Source: RBI Bulletin April 2025

Industry Overview

Global Writing Instrument Industry[5]

The global writing instrument industry attained a market size of USD 45.36 billion in CY 2024[6]. The market has adjusted by innovation and repositioning instead of giving way to electronic substitutes. Premium and luxury writing instruments, especially fountain pens and limited runs are in demand among enthusiasts and collectors. Corporate gifts offer an additional source of revenue. The industry cuts across a range of product types from the pens and pencils that one uses every day, to specialty markers and professional drawing tools. Educational facilities continue to be key customers of this industry. The Asia-Pacific region has shown an increasing demand, with rising literacy levels and a focus on education. Digitalisation has disrupted distribution channels, making it possible to reach all corners of the globe and grow the market share without establishing large-scale physical presence. Top brands are employing personalisation, technology incorporation and environmentally conscious practices to remain relevant and command consumer attention amid an evolving marketplace. Further to this, the global industry is anticipated to attain a market size of USD 69.84 billion by 2032, with a CAGR of 5.62% between 2025 and 2032.

[2] https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/0BULL22042025F03F83AE118C4B3B84E662D980C8DE33.PDF

[3] https://www.mospi.gov.in/sites/default/files/press_release/CPI_PR_13May25.pdf

[4] https://www.icicidirect.com/research/equity/finace/rise-of-steel-demand-in-india-in-2025

[5] https://www.researchandmarkets.com/report/writing-instrument

[6] https://www.fortunebusinessinsights.com/writing-instrument-market-113154

Management Discussion and Analysis (Contd.)

Key Market Trends

- **Digital Integration:** Conventional writing instruments now feature smart technology, such as Bluetooth capability and digitisation features that synchronise with electronic devices.
- **Environmental Awareness:** Increased demand for eco-friendly writing products created from recycled plastics, bamboo and other biodegradable materials.
- **Personalisation Demand:** Increased demand for customised writing products with initial engraving, bespoke design and ergonomic features specific to individual needs.
- **Innovative Partnerships:** Strategic alliances among writing instrument producers and artists, designers or legendary brands to produce limited series collectibles.
- **Online Sales Growth:** Transition toward online sales channels and direct-to-consumer strategies increasing global accessibility and market presence.
- **Art Revival:** Revival of calligraphy, hand lettering and niche writing arts driving demand for good writing instruments.

Indian writing instrument industry

The Indian writing instrument industry is characterised as highly competitive and price-sensitive. Key players in the industry focus on product innovation, affordability, and sustainability. The growth of the domestic industry in FY 2025 was supported by rising literacy rates, expanding educational initiatives and increased enrolment in schools as well as colleges across the country. Additionally, the growing popularity of premium and ergonomic writing tools among students and professionals has further supported the industry's growth. The geographical landscape of the Indian writing instruments market is shaped by diverse consumer preferences and varying educational infrastructure. During the reported year, northern India held the largest market share, driven by strong demand across educational hubs and government institutions. Looking ahead, the Indian writing instrument industry is anticipated to reach a market size of USD 1,274.31 million by 2031, exhibiting a growth rate of CAGR of 7.64% from 2024 to 2031.[7]

Global stationery industry

The global market is highly fragmented, with numerous medium and large players operating across both domestic and international markets. In CY 2024, the global stationery products industry reached a market size of USD 158.39 billion, and it is expected to grow at a CAGR of 5.32% from 2025 to 2032, reaching USD 238.46 billion by 2032. During the reported year, Asia Pacific led the stationery products market, accounting for a 37.00% share in 2024.[8] Moreover, the residential segment dominated during the reported year, driven by the everyday use of stationery products such as notepads, pens, and glue in households. Additionally, growth was supported by the increasing popularity of online and e-commerce platforms for stationery items, as well as the rapid digitisation of academic institutions. The global industry was influenced by several trends, including rising demand for eco-friendly stationery products, with key players focusing on recyclable and chemical-free alternatives.

Indian stationery industry

The Indian stationery industry can be described as a dynamic and competitive sector, dominated by the education sector, corporate offices, and increasing demand for premium and digital stationery. The rising literacy levels and increasing enrolment in schools and colleges are considered among the key factors that drove growth in the domestic industry during FY 2025. Moreover, the rise in remote work culture has also influenced growth in the Indian stationery industry. In addition to this, e-commerce platforms have helped make a wide range of stationery items accessible to a larger customer base. Additionally, the Indian stationery industry is anticipated to exhibit strong growth in the coming years. This growth will be driven by schools, colleges, and coaching centres.

Key Market Trends

- **Eco-Innovation:** Increased focus on renewable materials, refilling systems and non-toxic inks to minimise environmental footprint.
- **Premiumisation:** Increased demand for luxury and handcrafted instruments as status symbol and family heirlooms.
- **Artistic Revival:** Revival of calligraphy, journaling and hand-lettering drives specialty tools such as fountain pens and brush markers.
- **Corporate Branding:** Personalised pens continue to be a promotional campaign mainstay, fuelled by brand visibility initiatives.
- **Direct-to-consumer Channels:** Growth of online channels allows niche brands to circumvent traditional retail hurdles.

Government Initiatives

PM-YUVA 3.0 Mentorship Scheme

Launched in March 2025, this flagship programme mentors young writers under the age of 30 with organised mentorship on themes such as the Indian knowledge systems and the contribution of the Indian diaspora. The chosen writers are given ₹ 50,000 every month for six months, workshops with literary mentors and publication assistance through the National

[7] https://www.verifiedmarketresearch.com/product/india-writing-instruments-market/
[8] https://www.fortunebusinessinsights.com/stationery-products-market-104633
[9] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2112207
[10] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2098805

Management Discussion and Analysis (Contd.)

Book Trust. It also promotes multilingual writing in English and 22 Indian languages, bringing forth a new generation of writers to chronicle India's cultural and intellectual heritage.[9]

Union Budget 2025: Education Overhaul[10]

The 2025 budget allocated ₹1,28,650 crore to education, with focus on digital infrastructure, AI-based learning platforms and vocational training. Some of the important programmes are:

- **Atal Tinkering Labs:** 50,000 laboratories in government schools for encouraging Science, Technology, Engineering and Mathematics (STEM) creativity.
- **One Nation One Subscription (ONOS):** ₹ 6,000 crore programme providing nation-wide access to academic journals and e-resources, making research opportunities accessible to all.[11]

PM-Vidyalaxmi Scheme[12]

The Union Cabinet, led by Hon'ble PM Shri Narendra Modi, has approved the PM-Vidyalaxmi scheme to support meritorious students by providing financial assistance for quality higher education. This scheme offers education loans to students admitted to the top 860 institutions across India, benefitting over 22 lakh students each year. This programme strives to provide an extra benefit to 7 lakh students with a budget of ₹ 3,600 crores during 2024-25 to 2030-31. The PM-Vidyalaxmi scheme is operational across all digital, transparent and student-friendly platforms to facilitate accessibility and hassle-free interoperability by students anywhere across the country.

Foundational Literacy and Numeracy (FLN)[13]

The Government of India launched the ULLAS-Nav Bharat Saaksharta Karyakram to empower adults from the age of 15 and above. More than 8.8 million learners were certified in 2024 under tests such as FLNAT (Foundational Literacy and Numeracy Assessment Test). FLN proficiency is now required in schools up to Grade 3, aided by interactive e-content and teacher upgradation. Understanding of Lifelong Learning for All in Society (ULLAS) initiative has set a is target to impact 50 million learners in the 15+ age group during FY 2022–27 under National Literacy Mission Authority (NLMA).[14]

Global Steel Bottle Industry[15]

The stainless steel water bottle market, worth $1.23 billion in CY2024. This growth is primarily fuelled by the increased environmental consciousness, with people opting for reusable bottles as opposed to single-use plastics. The increasing health awareness among consumers is also a driving factor- stainless steel bottles do not contain toxins or BPA, offering a healthier alternative to plastic bottles. Stainless steel bottles can also keep beverages warm or cool for a longer time period, contributing to their usage in everyday life, work and vacations.

The main reason these bottles have gained popularity is their durability. Stainless steel bottles do not rust, corrode or get damaged and will last longer than plastic or aluminium ones. They are ideal for sports enthusiasts who want tough bottles to carry around for games, gym and outdoor adventures. Thus, stainless steel bottles are perceived as a long-term and sensible investment for consumers who are looking for reliable and environment-friendly water containers.

Moving forward, the market is estimated to grow up to $2.43 billion by CY2030, at a CAGR of 6.81%. Smart hydration tracking and temperature-control innovations are expected to redefine the premium space, whereas circular economy models favouring bottle recycling will get popular. Collaborations with fitness brands and corporate wellness programs are expected drive applications beyond individual consumption.

Indian Steel Bottle Industry

The India Insulated Bottle Market was valued at USD 368.34 Million in CY 2024 and is expected to reach USD 582.78 Million by CY 2030.[16] With the government's restrictions on single-use plastics, urbanisation and a growing demand for high-quality hydration products, the stainless steel water bottle industry in India is envisioned to grow at a steady rate in the foreseeable future. The Government of India enacted the Bureau of Indian Standards (BIS) guidelines for stainless steel bottles, which support the Make in India and Aatma Nirbhar Bharat campaigns and promote a vision of a healthier country under Swasth Bharat by supporting environmental conservation. As consumers are becoming more eco-friendly and looking for sustainable alternatives, stainless steel bottles have become extremely popular due to their reusability, recyclability and safety over its plastic alternatives.

Health concerns have also driven this shift as these bottles are free from harmful chemicals and maintain beverage quality. Their durability and resistance to damage make them ideal for activities such as sports, outdoor activities and daily commutes. The market is also witnessing significant growth following the leap in bottle technology- better temperature retention, internal filtration and other smart functionalities such as tracking water intake-making it more user-friendly and attractive.

Personalisation and innovative design are becoming key factors which enable brands to tap into niche tastes and differentiate in a competitive landscape. Fitness and wellness collaborations along with growth in distribution channels, increase the market

[11]https://pib.gov.in/PressReleasePage.aspx?PRID=2089179
[12]https://pib.gov.in/PressReleasePage.aspx?PRID=2072203
[13]https://pib.gov.in/PressReleasePage.aspx?PRID=2091737
[14]https://ullas.education.gov.in/nilp/about-us
[15]https://www.researchandmarkets.com/reports/6062944
[16]https://www.techsciresearch.com/report/india-insulated-bottle-market/28071.html

Management Discussion and Analysis (Contd.)

prospects. In general, the future of this market will be driven by sustainability, technological integration and changing consumer taste for trusted, fashionable and sustainable hydration solutions. Government campaigns against plastic and health-aware urban consumers will lead to adoption, with rural markets coming through low-cost, long-lasting alternatives. Domestic production of niche alloys may minimise import dependence, making India a cost-effective manufacturing base.

Global Houseware Market[17]

The global houseware market is estimated to be worth $343 billion in CY2024. In CY2023, the value was tipped to be $332 billion. The world houseware market is developing steadily, supported by increasing construction activity in nations such as China and India which drives the demand for home products. Increasing disposable incomes and better lifestyles are encouraging consumers to spend on essential and luxury houseware, prioritising fashionable and innovative designs that match their home furnishings. Smart home technology is also increasing the demand for high-tech and networked houseware products. Nevertheless, the market is challenged by various counterfeit products, which can damage brand reputation and discourage consumers.

The market is projected to show considerable growth over the period of CY2024 to 2034, with a CAGR of 4.1%. By 2034, the size of the market is predicted to expand by $513 billion. Multifunctional, compact designs in harmony with minimalist urban living are expected to remain popular, supplemented by AI-enabled kitchen appliances for individualised cooking. Sustainability requirements could spur material innovation, especially in modular and biodegradable products.

Indian Houseware Market[18]

India’s houseware market is growing steadily driven by increased disposable incomes, urbanisation and changing consumer lifestyles that appreciate convenience and modernity. India’s kitchenware market was valued at $1.70 billion in 2024. As Indians increasingly become part of the middle-income segment, there is a notable shift away from low-cost traditional utensils to branded, modern and premium kitchenware. Urban families are spending on multi-functional and advanced tools like modular cookware and automated devices. The growing trend of nuclear families and reduced living space is also propelling demand for space-saving and compact kitchenware.

Health and environmental concerns are also responsible for influencing consumer behaviour, with an increasing preference for non-toxic, eco-friendly cookware made from stainless steel, ceramic and glass. Environmentally friendly products such as biodegradable packets and bamboo cutlery are becoming popular, as part of a larger shift toward healthier and greener lifestyles.

The growth of e-commerce and online retail has brought kitchenware within reach for more people all over India, including smaller cities. Online stores provide an extensive range of products, reasonable prices and easy delivery, making them popular among a wide consumer base. Personalised suggestions and hassle-free return policies further increase the convenience of online shopping, aiding the growth of the market.

Driven by these tailwinds, the market is expected to reach $2.04 billion by 2030 with a CAGR of 3.09% during the forecast period. The market’s growth momentum is led by a trend towards green traditional products and small, technology-based products for urban buyers. Government initiatives and the growth of online retailing will continue to deepen domestic manufacturing and driving market reach into rural and smaller cities.

Company Overview

Incorporated in 2016, Flair Writing Industries Limited has grown to become one of India's largest pen manufacturers. The brand ‘Flair’ was founded in 1976 and has since emerged as a leading name in the writing industry. In its nearly five decades of operation, the organisation has diversified its product portfolio, manufacturing base and international presence while upholding its values of quality and innovation.

Currently, Flair sells over 1126 products in various brands. Its core stationery and writing instruments are sold under the FLAIR brand, supplemented by luxury lines like HAUSER and PIERRE CARDIN. The innovative collections are sold under FLAIR CREATIVE and ZOOX and houseware products like steel bottles are made by a subsidiary company. Flair also designs and distributes calculators with the Flair brand, thus covering a complete portfolio to cater to various customer requirements.

Flair has eleven strategically positioned manufacturing units in India-three in Valsad (Gujarat), one in Naigaon (Maharashtra), five in Daman, one in Surat and one in Dehradun (Uttarakhand). These facilities provide an annual production capacity of over 2.30 billion units. This scale of operation allows Flair to distribute its extensive assortment of products effectively and ensure uniform standards of quality. Moreover, the Company's manufacturing units are equipped with advanced facilities such as robots, that improves the production efficiency.

Flair has a strong domestic network of distribution over 192 super stockists and over 8,000 distributors, covering over 3,30,000 wholesalers and retailers in 2,380 towns and cities covering 6500+ pin codes in India. Globally, the Company has been India's largest exporter of writing instruments for the majority of the last 40 years, with products available in over 115 countries.

[17] https://www.futuremarketinsights.com/reports/houseware-market
[18] https://www.techsciresearch.com/report/india-kitchenware-market/26990.html

Management Discussion and Analysis (Contd.)

Flair has ISO 9001:2015 and ISO 14001:2015 certifications in order to maintain its commitment to best practices around the world. It also demonstrated the Company's compliance with international quality management and environmental standards. The Company also works in association with major companies in the writing business and engages actively with main trade associations. Motivated by master craftsmanship, endless innovation and a flexible approach to production, Flair Writing Industries remains committed to developing its products in line with user requirements.

Segment-wise Performance

Writing Instruments

The Company manufactures, develops and markets a variety of writing instruments locally and globally. Its core brand, FLAIR, is supplemented by lead marques HAUSER and PIERRE CARDIN. The Company has recently introduced ZOOX, one of its newest brands in Indian Market. Apart from its brands, the Company also makes writing instruments on an Original Equipment Manufacturer (OEM) basis for export destinations as well as the Indian local market.

The pen category comprises of the Company's largest, fastest-growing and most margin-accretive business segment, contributing 77% of overall revenues in FY 2024-25. These segments include ball pens, fountain pens, gel pens, roller pens and metal pens that cater to varied writing needs and quality requirements.

Strategy Forward

Flair Writing Industries Limited is pursuing a multi-pronged strategy to drive its writing instruments segment forward. The Company is focusing on the development of value-driven and sustainable products through the use of eco-friendly materials and refillable design, with the aim of targeting eco-conscious consumers. It is also investing in smart packaging and customer-centric product design to enhance shelf visibility and user experience. In order to widen its market scope, Flair is tailoring its products for specific user segments such as students, professionals and artists, while adding specialised sub-brands as and when needed.

Flair is also venturing into Tier II and Tier III cities while using data analytics to improve inventory management and demand forecasting, thus strengthening its domestic market position. Globally, Flair is looking to new export markets with product ranges specific to regional preferences.

Stationery Products

Flair launched the 'FLAIR CREATIVE' brand in 2021, providing a new line of creative and stationery products mostly for the Indian market. Since then, Flair Creative's sales have increased annually, demonstrating high acceptance in the market with proper utilisation of its brand equity and widespread distribution channel. Continuing this success, the Company began exporting these products. It also creates, produces and distributes calculators under the Flair brand.

In FY 2024-25, 15.85% of the Company's revenue came from creative and stationery segment. The range consists of school stationery-pencils, mechanical pencils, highlighters, correction pens, markers and gel crayons-along with children's specialised stationery kits and other accessories. Every product created by the Company aims to encourage imagination and enhance productivity for people of all ages, making them essential tools for learning, work and creative endeavours.

Strategy Forward

In the stationery products segment, Flair plans to expand its product base to offer additional school, office and creative writing supplies. The Company aims to leverage its strong brand to introduce innovative and quality products responding to varied consumer needs. The Company is making efforts to expand retail presence in both traditional and modern trade channels, with greater focus on e-commerce and digital marketing for wider reach. Flair is also looking at export opportunities and strategic alliances to enter new overseas markets, backed by investment in manufacturing capacity and supply chain optimisation, to address growing demand.

Steel Bottles and Houseware Products

In FY2024-25, the Company's subsidiary, Flair Cyrosil Industries Private Limited (FCIPL) initiated mass production of stainless steel bottles. The full year of operations includes single-wall and double-wall vacuum-insulated types in a variety of sizes and designs to suit varied consumer tastes.

The Company has set up three committed manufacturing lines for its steel bottle business. It has begun distribution in general trade and modern trade in India. Its factory's success in attaining mandatory BIS certification for stainless steel bottles further strengthens the Company's competitiveness by breaking the import dependence.

Strategy Forward

For Steel Bottles and Houseware products, the Company's focus is building product range, enhancing design and functionality, and enhanced market penetration. It seeks to launch innovative, ergonomic and eco-friendly products aligned with evolving consumer trends, especially in the premium and lifestyle categories. Investments in capacity enhancement and automation will allow the Company to achieve accelerated scalability and cost efficiency.

To improve visibility and sales, Flair is leveraging modern trade, e-commerce platforms, contemporary retail and global distribution channels, as well as focused marketing efforts. The Company is also exploring strategic partnerships and brand extensions to make this segment a key growth driver in domestic and international markets.

Management Discussion and Analysis (Contd.)

Brands

FLAIR

Under the Flair brand, the Company focuses on precision writing instruments, evolving its products to suit today's dynamic market.

PIERRE CARDIN

Pierre Cardin pens amalgamate world-class quality with bold, premium designs and in-house branding capabilities tailored for corporate and gifting solutions.

HAUSER

The brand provides German-engineered simplicity and aerodynamics, making writing effortless at the highest quality standard.

FLAIR CREATIVE

Flair Creative offers a broad range of creative tools that stimulate both professional and amateur artists.

FLAIR STEEL BOTTLES & DESIGNER HAUSERWARE

The brand expands the portfolio to specially designed, rugged everyday household items engineered for long-lasting performance.

Strategy Forward

The Company plans to expand its offerings in the Disney range across different verticals including geo boxes and kits, while introducing additional new kits for gifting and basic colouring range for students. The Company continues to rely on celebrity endorsement to drive brand visibility and revenue growth.

Financial Overview

In FY 2024-25, the number of writing instruments sold by the Company increased to 191.22 million from 181.28 million in 2023-24. The Company's distributor/dealer network stood at 8,000+ in FY 2024-25. The Company's network of wholesalers/retailers was expanded to over 3,30,000 in FY 2024-25, owing to a strong market penetration and wider product availability.

Flair's revenue from operations, including domestic and export sales, experienced a surge to ₹ 1,07,986.03 lakhs from ₹ 97,872.48 lakhs recorded in the previous year. This growth can be credited to our ability to capitalise on emerging market opportunities. The Company's operational efficiency and more controlled material costs compared to FY 2023-24 led to an increase in the gross material margin from ₹ 49,303.01 lakhs to ₹ 54,770.03 lakhs in FY2024-25. The EBITDA decreased from ₹ 19,124.13 lakhs in FY2023-24 to ₹ 18,474.24 lakhs in FY 2024-25, while the EBITDA margin fell from 19.54% in FY 2023-24 to 17.11% in FY 2024-25. PAT grew to ₹ 11,908.43 lakhs in FY 2024-25 from ₹ 11,848.11 lakhs in 2023-24.

Financial Highlights

Metric	FY 2024-25	FY 2023-24
Number of Pens Sold (in lakhs)	14,376.30	13,213.20
Number of Distributors/Dealers	8,000+	8,080
Number of Wholesalers/Retailers	3,30,000+	330,000
Revenue from Operations (₹ in lakhs)	1,07,986.03	97,872.48
Revenue from Domestic Operations (₹ in lakhs)	89,820.38	79,288.02
Revenue from Export Operations (₹ in lakhs)	18,165.65	18,584.46
Gross Material Margin (₹ in lakhs)	54,770.03	49,303.01
Gross Material Margin (%)	50.72	50.37
EBITDA (₹ in lakhs)	18,474.24	19,124.13
EBITDA Margin (%)	17.11	19.54
PAT (₹ in lakhs)	11,908.43	11,848.11
PAT Margin (%)	11.03	12.11
Return on Capital Employed (%) (PBT & finance costs/Capital Employed)	15.13	17.32
Return on Equity (%) (PAT/ Average Total Equity)	11.74	13.23
Trade Receivable Days	80	72
Inventory Days (based on COGS)	115	112
Trade Payable Days	37	47
Working Capital Cycle (Days)	158	137
Debt–Equity Ratio	0.06	0.08
Net Debt/EBITDA	0.03	0.09
Sales & Marketing Expenditure Ratio (%)	1.92	2.36
Earnings per Share (₹)	11.35	12.19

Ratio Analysis (Consolidated Basis)

Metric	FY 2024-25	FY 2023-24	% Change
Inventory Turnover (COGS / Average Inventories)	3.18	3.26	(2.29%)
Current Ratio (Current Assets / Current Liabilities)	5.43	5.11	6.27%
Debtors Turnover (Revenue / Average Trade Receivables)	4.56	5.08	(10.22%)
Operating Profit Margin (PBIT / Net Sales)	12.97%	15.78%	(17.83%)
Net Profit Margin (PAT / Net Sales)	11.03%	12.11%	(8.90%)
Return on Net Worth (PAT/ Average Net Worth)	12.43%	17.76%	(30.04%)
Interest Coverage Ratio (EBIT / Interest Expenses)	26.61%	15.21%	74.91%
Debt–Equity Ratio (Net Debt / Net Worth)	0.06	0.08	(20.73%)

Business Outlook

The Company plans to keep investing in its talent and streamlining its sales and distribution structure to enhance efficiency. To aid this, the Company is reinforcing its teams both in sales as well as manufacturing functions. The Company also plans to raise in-house production capacity in various categories of products.

Besides investing in manpower and upscaling in-house production, Flair Writing Industries is also implementing a number of initiatives to improve its operational effectiveness for both the domestic and international markets. These initiatives include the implementation of high-end automation and digital technologies to enhance manufacturing effectiveness and reduce costs of operations. The Company is further strengthening its supply chain with improved vendor management and real-time inventory tracking.

Flair is also exploring international expansion through establishing strategic partnerships and product customisation to suit local tastes. The Company's increased emphasis on e-commerce, data-driven sales and localisation of marketing is expected to drive sustainable growth across segments.

Risk Mitigation

Risk	Impact	Mitigation Strategy
Macro-economic Risk	The Company's international and domestic business are at risk due to the prevailing geo-economic uncertainties and possibility of global economic downturn.	The Company addresses macroeconomic risks by adopting the following steps: 1. Diversification of Markets - Export Expansion and Product Diversification 2. Cost Structure Flexibility- Variable Cost Focus and Raw Material Substitution 3. Financial Risk Management 4. Strategic Partnerships and Supplier Resilience-Multi-Sourcing and Local Sourcing 5. Innovation and Automation 6. Policy and Regulatory Engagement 7. Liquidity and Cash Flow Management.
Supply Chain Risk	Geopolitical turbulences disrupting crucial supply chains can result in operational delays of the Company and impact the sourcing costs.	The Company continuously tracks price actions and controls inventory to respond to market conditions and limit exposure to risk.
Seasonal Volatility	Seasonal sales cycles and sudden spikes in short-term demand have the potential to disrupt the Company's production, causing less market demand during the rest of the year and potentially impacting business performance.	The Company over the period has expanded its products and customers over the last year, as well as enhanced its ability to respond to changing industry demands.
Product Quality Risk	The businesses need to maintain high quality standards to meet the consumer's expectations.	The Company's steady provision of high-quality products has created a good reputation and enhanced favourable customer perceptions. Further to this, the Company also ensures that its product innovation is aligned with the quality standards.
Brand Image	Compromised quality can cause reputational damage to the Company	The Company concentrates on effective organisational management and continued competitiveness to ensure brand protection against customer preference changes or bad experiences.

Risk	Impact	Mitigation Strategy
Competition Risk	The Company faces several competition risks that can impact its operations and profitability both domestically and internationally. In addition, the expansion of the Company into new segments will invite challenge from established players.	To mitigate competition risk in both new and existing segments, the Company focuses on continuous product innovation, strong branding and competitive pricing strategies. The company invests in R&D to develop differentiated, high-quality products and leverages a robust distribution network across retail and digital platforms to maintain market presence. By building strong relationships with dealers, closely monitoring competitor activities and offering value-driven promotions, Flair ensures responsiveness to market trends. Additionally, the Company protects its intellectual property and enters new segments through careful market research and pilot launches to minimise risk and maximise impact.

Human Resources

Flair regards its workforce of 7,432 individuals, including permanent employees, contractual staff, workers, labourers and consultants, as the primary driver of its success. The Company is dedicated to cultivating an environment that supports professional growth, nurtures innovation and upholds a culture of excellence.

To attract and retain top talent, Flair provides competitive compensation, structured opportunities for skill development and a supportive workplace that embraces diversity and inclusion. Human resource policies are designed to empower employees, build leadership capabilities and promote a healthy work-life balance. Flair aims to secure long-term sustainable growth and a competitive advantage in the industry by investing in its people.

Corporate Social Responsibility

The Company's CSR Policy demonstrates its commitment to the communities it operates in and its desire to create a positive social impact. The Company has initiated a number of focused CSR programs to benefit local communities and meet their specific needs.

To enable its goal of 'empowerment through employment,' the Company recently distributed sewing machines to enable people to become financially independent.

To increase educational opportunities, the Company distributed laptops to tribal and minority students. In Rajasthan, it facilitated a school bus to enhance access to education for rural children.

Internal Control Systems

Flair operates a structured internal control system overseen by its Board of Directors and Executive Committee. Over time, the Company has invested in strengthening this framework and refining its processes. These enhancements complement the existing embedded controls, standards and monitoring mechanisms that support consistent operational stability.

The control framework governs all aspects of business conduct, ensuring compliance with corporate policies and safeguarding company assets. It is designed to prevent and detect fraud or errors, guarantee the accuracy and completeness of accounting records and facilitate the timely preparation of reliable financial information.

Cautionary Statement

The statement made in this section describes our objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

Disclosure Of Accounting Treatment

The financial statements of our Company have been prepared in accordance with the Indian Accounting Standards (IndAS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Companies Act, 2013.

Annexure VI

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L51100MH2016PLC284727
2.	Name of the Company	Flair Writing Industries Limited
3.	Year of Incorporation	2016
4.	Registered Office Address	Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India
5.	Corporate Address	
6.	Email Address	investors@flairpens.com
7.	Telephone	+91 22 42030405
8.	Website	www.flairworld.in
9.	Financial Year Reported	2024-25
10.	Name of the Stock Exchanges where shares are listed	i. BSE Limited ii. National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 52,69,76,890
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Vishal Kishor Chanda Tel: +91 22 42030228 E-mail: cs@flairpens.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1.	Manufacturing and trading	Manufacturing and trading of consumer products viz. stationery and colour products used for scholastic and art purpose.	100%

17. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Manufacture of stationary articles such as pens and pencils of all kinds whether or not mechanical, pencil leads, date, sealing or numbering stamps, hand-operated devices for printing or embossing labels, hand printing sets, prepared typewriter ribbons and inked pads, globes etc.	32901	77%
2	Manufacture of other articles n.e.c	32909	23%

III. Operations

18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	11	1	12
International	0	0	0

19. Markets served by the Company

a. Number of locations

Locations	Number
National (No. of States)	36
International (No. of Countries)	115

b. What is the contribution of exports as a percentage of the total turnover of the Company?

The contribution of exports to Flair's total turnover is 17.45% of its overall revenue.

c. Types of customers

The company's products are distributed across India through a robust and extensive network that includes:

- Super-stockists
- Distributors
- Direct dealers
- Wholesalers
- Retailers

To broaden the market presence, Flair also collaborates with modern retail chains and prominent e-commerce platforms. This multi-channel approach ensures that consumers throughout the country enjoy convenient and reliable access to Flair products.

International Reach:

Beyond domestic sales, Flair caters to a growing international customer base through its export operations. This expansion allows Flair to strengthen its presence in key global markets and serve a diverse clientele worldwide.

Corporate Gifting Solutions:

Flair provides bespoke corporate gifting solutions, carefully curated to align with the unique requirements of its corporate partners. These personalized offerings help enhance business relationships by adding a thoughtful and distinctive touch.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	1,538	1,483	96.42%	55	3.58%
2.	Other than Permanent (E)	50	43	86%	7	14%
3.	**Total employees (D + E)**	**1,588**	**1,526**	**96.10%**	**62**	**3.90%**
		WORKERS				
4.	Permanent (F)	3,903	1,108	28.39%	2,795	71.61%
5.	Other than Permanent (G)	1,941	1,020	52.55%	921	47.45%
6.	**Total workers (F + G)**	**5,844**	**2,128**	**36.41%**	**3,716**	**63.59%**

b. **Differently abled Employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	2	2	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	**2**	**2**	**100%**	**0**	**0**
	WORKERS					
4.	Permanent (F)	4	4	100%	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total workers (F + G)**	**4**	**4**	**100%**	**0**	**0**

21. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		% No. (B)	% (B/A)
Board of Directors	10	1	10%
Key Management Personnel	2	0	0

22. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22%	17%	39%	6.17%	13.91%	20.08%	10.41%	25.05%	45%
Permanent Workers	36%	18%	54%	18.07%	6.77%	24.84%	19.62%	9.52%	29.14%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	Flair Writing Equipments Private Limited (FWEPL)	Subsidiary	100	No
2	Flair Cyrosil Industries Private Limited (FCIPL)	Subsidiary	90	No
3	Monterosa Stationery Private Limited	Subsidiary	100	No
4	Flomaxe Stationery Private Limited	Step-down Subsidiary	51	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover (in ₹): **9,49,31,43,924**

(iii) Net worth (in ₹): **10,01,25,47,411**

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/ No) (If yes, then provide web link for grievance redressal policy)	FY 2024-25			FY 2023-24		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	No	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes https://www.flairworld.in/investorrelation.aspx	0	0	NA	0	0	NA
Shareholders	Yes, The Securities and Exchange Board of India Complaints Redress System https://scores.go.in/scores/Welcome.html,investors@flairpens.com	2	0	NA	709	0	NA
Employees and workers	Yes https://www.flairworld.in/investorrelation.aspx	0	0	NA	0	0	NA
Customers	Yes https://flairpens.com/contact-us.html	0	0	NA	0	0	NA
Value Chain Partners	No	0	0	NA	0	0	NA
Others	Yes https://flairpens.com/contact-us.html	0	0	NA	0	0	NA

26. Overview of the Company's material responsible business conduct and sustainability issues pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Sustainable Sourcing	O	Flair prioritizes sourcing paper, ink, and other materials for its stationery products from suppliers who follow responsible and sustainable practices. By taking this approach, the company aims to reduce its environmental footprint, help preserve forests, and maintain high ethical standards throughout its supply chain. This commitment not only protects natural resources but also demonstrates Flair's ongoing effort to support a more sustainable and transparent business environment	NA	**Positive:** Reducing environmental impact and promoting ethical practices can enhance brand reputation, attract a broader customer base, and drive higher sales. Over time, these efforts also lead to cost savings by improving resource efficiency, supporting both business growth and sustainability.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Product Packaging	R	The use of packaging materials, especially those that are non-biodegradable, can significantly add to waste generation and pose lasting environmental risks. Choosing sustainable, eco-friendly packaging not only helps reduce this burden but also demonstrates a forward-thinking approach that benefits the environment.	Promotion of sustainable resource management and minimize environmental impact	**Negative:** Using non-biodegradable packaging not only raises waste management expenses and attracts greater regulatory scrutiny, but also puts a company's reputation at risk as environmental expectations rise. These challenges can lead to higher operational costs, potential fines, and a negative perception among customers, making it increasingly important for businesses to consider more sustainable packaging alternatives.
3	Health & Safety	R	Manufacturing units often present a range of health-related hazards that can have lasting adverse effects on employees and workers. Prolonged exposure to chemicals, dust, noise, and repetitive physical tasks can contribute to chronic respiratory issues, hearing loss, musculoskeletal disorders, and even long-term illnesses such as occupational asthma or dermatitis. Inadequate ventilation, improper handling of hazardous materials, and insufficient use of personal protective equipment further increase these risks.	Ensuring strict compliance with established health and safety protocols.	**Negative:** Deficiencies in health and safety management can have significant and far-reaching consequences for an organization. Inadequate safety measures often lead to higher medical expenses as workplace injuries and illnesses become more frequent. This not only increases direct healthcare costs but can also drive up insurance premiums. Legal liabilities may also rise, as lapses in safety protocols expose the organization to lawsuits, regulatory penalties, and compliance violations. Such legal challenges can result in substantial financial losses and damage to the company's reputation. Furthermore, poor health and safety practices contribute to increased absenteeism, as employees may require more time off to recover from work-related injuries or illnesses. This reduction in workforce productivity can disrupt operations, delay projects, and diminish overall efficiency.
4	Waste Management	R	Waste generated from offices and manufacturing sites—including plastics, ink, water, and organic residues—contributes to environmental pollution and accelerates the depletion of natural resources. As these materials accumulate, they place additional strain on landfills and can disrupt local ecosystems through contamination and habitat loss. Over time, such waste not only undermines sustainability goals but also increases the risks associated with regulatory compliance and long-term environmental stewardship.	Implemented waste management policy to reduce waste and promote circular economy and opting eco-friendly options wherever possible.	**Negative:** Inefficient waste management leads to higher disposal costs, increased regulatory compliance expenses, and the risk of penalties, all of which can damage a company's environmental reputation. These challenges not only strain financial performance but also undermine the commitments made under Principle 6 of the BRSR framework, which emphasizes environmental responsibility. As a result, organizations may face greater scrutiny from stakeholders and regulatory bodies, making it essential to adopt effective waste management practices to uphold sustainability goals and maintain trust.
5	Energy Management	O	Ongoing efforts to enhance energy efficiency within manufacturing processes have led to consistent reductions in both greenhouse gas emissions and overall energy costs. This sustained approach not only supports environmental objectives but also delivers tangible financial benefits, reinforcing the company's commitment to responsible and efficient operations.	NA	**Positive:** Efficient energy utilization helps lower utility expenses and decrease greenhouse gas emissions, leading to substantial cost savings over time. By optimizing energy use, companies can also qualify for various energy efficiency incentives and rebates, further improving their financial position. In addition to these economic advantages, such practices play a key role in advancing environmental objectives and demonstrating a proactive approach to sustainability.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Weblink of the policies, if available	https://www.flairworld.in/investor-relation.aspx								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes	No	No	No	No	No	No	No	No
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	• ISO 14001 : 2015 • ISO 9001 : 2015 • IS 9873 : PART I : 2019								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	The Company maintains rigorous compliance with all applicable statutory and regulatory requirements and is currently formulating a comprehensive sustainability roadmap to systematically advance its organizational sustainability objectives.								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	NA								
Governance, leadership and oversight									
7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Refer page no. 14 for Management messages.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Vimalchand Jugraj Rathod Managing Director (DIN: 00123007)								
9. Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Risk Management Committee is tasked with the periodic review of environmental, social, and governance (ESG) and sustainability-related matters concerning the Company, encompassing relevant initiatives and reporting. The composition of committee is mentioned below: 1. Mr. Vimalchand Jugraj Rathod (DIN: 00123007) - Chairman 2. Mr. Punit Saxena (DIN: 01057161) – Member 3. Mr. Manoj Vinod Lalwani (DIN: 10077949) – Member								

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The policies of the Company are reviewed by department heads/directors/board committees, wherever applicable									Periodically or on-a-need basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Status of compliance with all applicable statutory requirements is reviewed by the Board									Quarterly								

11.	Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
		The procedures and compliances pertaining to the working of the Company's policies are also evaluated by the internal auditors and Secretarial Auditor of the Company from time to time.								

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principle material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCPLE WISE PERFORMANCE DISCLOSURE

Principle 1:

Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator:

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Industry Training, Compliance Awareness	90%
Key Managerial Personnel	8	SEBI (LODR) Regulations Compliances, Industry awareness, Insurance Policy and processes.	100%
Employees other than Board of Directors and KMPs	1	POSH Training and awareness, Induction programs	100%
Workers	1	Mock drills, safety measures and awareness, POSH Training	80%

2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NIL	NA	NA
Settlement	NA	NA	NIL	NA	NA
Compounding fee	NA	NA	NIL	NA	NA

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NIL	NA	NA
Punishment	NA	NIL	NA	NA

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.cial year:**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. **Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy**

Yes. Flair has an anti-corruption and anti-bribery policy that supports ethical business practices across all its operations. This policy requires the company to comply with all relevant laws and regulations, and it strictly prohibits bribery, kickbacks, and facilitation payments of any kind. Clear guidelines are set for gifts and hospitality, ensuring that all business dealings remain transparent and fair. Employees are encouraged to report any concerns confidentially, without fear of retaliation. Regular training is provided so that everyone understands and follows these rules. The Audit Committee reviews any reported concerns, and disciplinary action is taken if the policy is not followed. Flair also reviews this policy regularly to keep it current and to ensure it continues to guide the company in making the right choices.

The Policy can be accessed at the following weblink https://flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Anti_Bribery_and_Corruption_Policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest**

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.**

NA

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	23.11	31

9. **Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties as % of Total Purchases)	5.59%	3.29%
	b. Sales (Sales to related parties as % of Total Sales)	1.7%	1.48%
	c. Loans & advances given to related parties as % of Total loans & advances	99.84%	99.66%
	d. Investments in related parties as % of Total Investments made	10.45%	100%

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
No awareness programmes were conducted for value chain partners during the financial year 2024–25 on any of the BRSR Principles.		

2. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, Flair has clear processes in place to manage conflicts of interest involving Board members and employees. The policy requires Directors and employees to avoid situations where their personal interests could conflict with those of the company. If an actual or potential conflict arises, they must promptly disclose it, whether it involves themselves, their relatives, or associates. This includes sharing information about any direct or indirect contractual interests that could result in personal financial gain.

By making these disclosures, Flair is able to review and handle possible conflicts in a transparent way. The policy makes it clear that, in all business matters, the interests of the company must take priority. This approach helps ensure fairness and trust within the organization's operations..

The Policy can be accessed at the following link: https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Code_of_Conduct_of_Board_Members_KMP_SMP.pdf

Principle 2:

Business should provide goods and services in a manner that is sustainable and safe

Essential Indicator:

1 **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY'2024-25	FY'2023-24	Details of improvements in environmental and social impacts
R & D	NA	NA	The Company is in the process of evaluating potential areas where R&D efforts and Capex investment can be aligned with environmental and social impact goals.
Capex	NA	NA	

Note: The Company recognizes the importance of integrating sustainability into R&D and capital allocation decisions. Going forward, it aims to enhance ESG integration by identifying projects with measurable environmental and social benefits.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

No

b. **If yes, what percentage of inputs were sourced sustainably?**

NA

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

(a) Plastics (including packaging) **(b) E-waste** **(c) Hazardous waste** **(d) other waste.**	Manufacturers are required to collect any e-waste produced during their manufacturing processes and to submit both annual and quarterly returns in the prescribed formats via the Central Pollution Control Board (CPCB) portal. The Environment Protection Act (EPA) has been established to protect and enhance environmental quality, granting the Central Government the authority to take all necessary measures to prevent, control, and reduce environmental pollution. We are fully committed to complying with all relevant safety, environmental, and other applicable regulations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. The E-Waste Rules lay down an Extended Producer Responsibility framework, requiring entities to register on the Central Pollution Control Board's (CPCB) dedicated online portal. Manufacturers are responsible for collecting e-waste generated during the manufacturing process and must file both annual and quarterly returns in the prescribed format through the CPCB portal.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
NA		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Plastic(Reused) (kg)	78,521	4,27,742
Plastic(Recycled) (kg)	2,02,936	1,32,081

The company has provided recycled input data in kilograms, which reflects actual material recovery efforts. While the question asks for value-based reporting, kg-based data is currently the most reliable and consistently tracked metric. Conversion to value will be considered in future cycles as cost data becomes available.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY'2024-25			FY'2023-24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

Principle 3:

Business should respect and promote the wellbeing of all employees, including those in their value chains

Essential Indicator:

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1,483	1,369	92.31%	1,369	92.31%	0	0	0	0	0	0
Female	55	30	54.55%	30	54.55%	30	54.55%	0	0	0	0
Total	**1,538**	**1,399**	**90.96%**	**1,399**	**90.96%**	**30**	**54.55%**	**0**	**0**	**0**	**0**
Other than Permanent employees											
Male	43	43	100%	43	100%	0	0	0	0	0	0
Female	7	7	100%	7	100%	0	0	0	0	0	0
Total	**50**	**50**	**100%**	**50**	**100%**	**0**	**0**	**0**	**0**	**0**	**0**

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	1,108	1,011	91.25%	1,108	100%	0	0	0	0	0	0
Female	2,795	2,582	92.38%	2,795	100%	2,795	100%	0	0	0	0
Total	**3,903**	**3,593**	**92.06**	**3,903**	**100%**	**2,795**	**100%**	**0**	**0**	**0**	**0**
Other than Permanent Workers											
Male	1,020	750	73.53%	750	73.53%	0	0	0	0	0	0
Female	921	758	82.30%	758	82.30%	0	0	0	0	0	0
Total	**1,941**	**1,508**	**77.69%**	**1,508**	**77.69%**	**0**	**0**	**0**	**0**	**0**	**0**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY'2024-25	FY'2023-24
Cost incurred on wellbeing measures as a % of total revenue of the company	0.13%	0.12%

2. Details of retirement benefits, for Current and Previous Financial Year.

Benefits	FY'2024-25			FY'2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	90.44%	100%	Y	88.89%	97.53%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	8.07%	95.13%	Y	1.49%	21.24%	Y
Others- please specify	0	0	NA	0	0	NA

3. Accessibility of workplaces

Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

Flair's offices are fully accessible to employees with disabilities, featuring ramps, accessible restrooms, and clear pathways. This inclusive design, in line with the Rights of Persons with Disabilities Act, 2016, removes barriers and ensures everyone can work comfortably.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Flair maintains a comprehensive equal opportunity policy as part of its Code of Conduct. This policy requires directors and employees to support and promote equal opportunities for all genders in the workplace. It also sets clear guidelines to prevent and address sexual harassment, helping to ensure a safe and respectful environment for everyone.

Flair's commitment to equality also covers individuals with disabilities, in line with the Rights of Persons with Disabilities Act, 2016. The company is dedicated to fair employment practices so that all employees, regardless of gender or ability, are valued and have equal access to opportunities. This approach is reflected in Flair's ongoing efforts to build an inclusive and supportive workplace for all. The Code of Conduct can be accessed at: https://www.flairworld.in/investor-relation.aspx

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	100%	100%	65%	65%
Total	100%	100%	65%	65%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes, there is a structured mechanism for receiving and addressing grievances from the following categories of employees and workers via email, in accordance with the established procedures
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY'2024-25			FY'2023-24		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	1,538	0	0	1,346	0	0
- Male	1,483	0	0	1,305	0	0
- Female	55	0	0	41	0	0
Total Permanent Workers	3,903	0	0	3,965	0	0
- Male	1,108	0	0	1,128	0	0
- Female	2,795	0	0	2,837	0	0

8. Details of training given to employees and workers:

Category	FY'2024-25					FY'2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,483	168	11.33%	75	5.06%	1,349	89	6.6%	63	4.67%
Female	55	15	27.27%	10	18.18%	48	7	14.58%	5	10.42%
Total	**1,538**	**183**	**11.9%**	**85**	**5.53%**	**1,397**	**96**	**6.87%**	**68**	**4.87%**
Workers										
Male	1,108	656	59.21%	195	17.60%	1,768	536	30.32%	153	8.65%
Female	2,795	1,020	36.49%	675	24.15%	3,126	902	28.85%	421	13.47%
Total	**3,903**	**1,676**	**42.94%**	**870**	**22.29%**	**4,894**	**1,438**	**29.38%**	**574**	**11.73%**

9. Details of performance and career development reviews of employees and workers:

Category	FY'2024-25			FY'2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,483	887	59.81%	1,349	775	57.45%
Female	55	48	87.27%	48	29	60.42%
Total	**1,538**	**935**	**60.79%**	**1,397**	**804**	**57.55%**
Workers						
Male	1,108	656	59.21%	1,768	906	51.24%
Female	2,795	1,020	36.49%	3,126	2,548	81.51%
Total	**3,903**	**1,676**	**42.94%**	**4,894**	**3,454**	**70.58%**

10. Health and Safety Management System:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Flair has implemented an occupational health and safety management system to protect the well-being of its employees. The company has set up internal committees such as the Worker Welfare Committee, Health and Safety Committee, and Sexual Harassment Committee to oversee and address various aspects of workplace safety and employee welfare. These committees regularly review workplace practices, promote safety awareness, and ensure that any concerns are promptly addressed. Through these measures, Flair aims to maintain a safe, healthy, and supportive work environment for all employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To systematically identify work-related hazards and assess risks on both routine and non-routine bases, the organization has implemented several key processes. Regular inspections are conducted, and certifications are maintained for all internal vehicles, including forklifts, chain-pullies, small tempos used for local material transportation, and lifts. The organization also performs periodic tests for health hazards such as excessive noise and air pollution, maintaining required certifications for Noise, Lux, and water quality.

In the event of workplace incidents, including injuries and illnesses, incident investigations are carried out. Two dedicated first aid rooms are available to provide immediate medical assistance, with further referrals made to the Sharda Medical Health Care Centre as needed. Hazard identification and risk assessment procedures are followed, which include daily plant rounds to detect unsafe acts and conditions. In addition, the organization holds quarterly safety committee meetings with workers and conducts third-party safety audits on a regular basis to ensure ongoing safety and compliance.

c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

The organization has established processes that enable workers to report work-related hazards and take steps to avoid such risks. The code of conduct empowers employees to report any incidents that negatively impact the environment, health, or safety directly to management. In addition, workers are encouraged to bring work-related hazards to the attention of their respective Heads of Departments (HODs) and may request corrective actions to address these concerns.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Flair provides employees and workers with access to non-occupational medical and healthcare services. On-site medical facilities are available to handle minor health issues and emergencies as they occur. In addition, the company offers insurance coverage through ESIC, which supports healthcare needs that go beyond the workplace. This approach helps ensure a safer and more supportive environment for everyone at Flair.

11. Details of safety related incidents, in the following format:

Safety Incident /Number	Category	FY'2024-25	FY'2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0.20
Total recordable work-related injuries	Employees	0	0
	Workers	0	2
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

To ensure a safe and healthy workplace, the organization has implemented the following measures:

- A comprehensive hazard identification and risk assessment process is followed to identify work-related hazards and risks.
- Daily plant rounds are conducted to detect and address unsafe acts and conditions.
- Quarterly safety committee meetings are held with workers to discuss and enhance safety measures.
- All employees are required to wear appropriate protective equipment and clothing.
- A health and safety policy has been instituted to promote and maintain a safe working environment.

13. Number of Complaints on the following made by employees and workers:

	FY'2024-25			FY'2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The organization takes corrective actions for safety-related incidents and significant risks with utmost seriousness. In the event of an incident, an immediate 'Meeting Call' is convened with all departmental heads and local management, including plant heads and the AGM, to collaboratively determine practical solutions. Furthermore, regular meetings are held two to three times per month with all relevant Heads of Departments (HODs) and local management to discuss ongoing issues, ensuring that health and safety concerns are promptly identified and effectively addressed.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Employees – No

Workers – Yes, the Company has Workmen Compensation Policy.

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

The Company has following measures,

1. Vendor Due Diligence and On boarding
2. Contractual Safeguards
3. Regular Collection and Review of Compliance Proofs
4. Audit and Compliance Checks
5. Use of Technology Tools for Reconciliation
6. Monitoring Through Tax Portals

3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY'2024-25	FY'2023-24	FY'2024-25	FY'2023-24
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NA
Working Conditions	NA

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

The organization implements various measures to mitigate accident risks at its manufacturing sites, including conducting regular fire and first aid training for staff. A health and safety policy is enforced to maintain a secure workplace, with all employees required to use appropriate protective gear.

Principle 4:

Business should respect the interests of and be responsive to all its stakeholders

Essential Indicator:

1. **Describe the processes for identifying key stakeholder groups of the Company.**

Flair identifies key stakeholders using a structured process that involves mapping potential groups, analysing their interests and level of influence, and engaging them through regular feedback. This approach ensures that all relevant parties are acknowledged and their perspectives are included in decision-making. By maintaining ongoing dialogue, Flair is able to respond to stakeholder needs and incorporate their input into business strategies, supporting transparent and effective stakeholder engagement.

The key stakeholders that we have identified include-

- Investors
- Community
- Suppliers
- Customers
- Regulatory Authorities
- Employees and workers

2. **List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	General meetings, investor and analysts meet, earnings calls	Quarterly, annually, as and when required	Transparent and effective communication, addressing investor queries and concerns
Community	Yes	In person meeting with people and through calls	As and when required	Addressing community problems.
Suppliers	No	Through calls, letters, e-mails, visits	On timely basis weekly/monthly/ quarterly/annual	Routine orders and payment related affairs, quality checks, communication and updates on business plans

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	E-mails, customer care calls	Need based/annual/ bi-annual	Product/service quality and safety, other queries
Regulatory authorities	No	Letters, personal visits	Regular basis	Regulatory compliance, transparent disclosures
Employees and workers	No	Calls, e-mails, notice board	Regular basis	Health and safety, grievance redressal, skill development and growth, work-related

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has established stakeholder engagement mechanisms through which it regularly interacts with key stakeholder groups including investors, employees, customers, suppliers, communities, and regulatory authorities. While direct consultation between stakeholders and the Board on economic, environmental, and social topics is not explicitly undertaken, these interactions are coordinated by management teams and relevant departments. Feedback from such consultations is internally reviewed and escalated through appropriate channels—including departmental heads and Board-level committees such as the Risk Management Committee—ensuring that relevant inputs are considered in strategic decision-making.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company utilizes stakeholder consultation to support the identification and management of environmental and social topics. Stakeholder engagement is conducted through structured interactions such as community meetings, feedback sessions with suppliers, and grievance redressal platforms for employees and customers. Insights from these engagements have informed the Company’s initiatives on sustainable sourcing, employee health and safety, waste management, and energy efficiency. For instance, inputs from local communities and regulators have influenced Flair's decisions on waste handling and accessibility measures at offices, while employee feedback has shaped well-being and inclusion-related policies.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company has identified the local community as a vulnerable stakeholder group and engages with them on an ongoing basis. Engagement takes place through in-person meetings and communication with local representatives to understand community concerns. The Company responds to these concerns by tailoring its CSR initiatives to address local needs in areas such as education, healthcare, and infrastructure. Through these efforts, Flair ensures that its social interventions are inclusive and aligned with the expectations of marginalized groups, thereby fostering trust and positive impact.

Principle 5:

Business should respect and promote human rights

Essential Indicator:

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY'2024-25			FY'2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1,538	82	5.33%	1,346	22	1.63%
Other than Permanent	50	0	0	51	0	0
Total Employees	**1,588**	**82**	**5.16%**	**1,397**	**22**	**1.57%**
Workers						
Permanent	3,903	275	7.05%	3,965	72	1.82%
Other than Permanent	1,941	0	0	929	0	0
Total Workers	**5,844**	**275**	**4.71%**	**4,894**	**72**	**1.47%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY'2024-25					FY'2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1,483	0	0	1,483	100%	1,305	0	0	1,305	100%
Female	55	0	0	55	100%	41	0	0	41	100%
Other than Permanent										
Male	43	0	0	43	100%	44	0	0	44	100%
Female	7	0	0	7	100%	7	0	0	7	100%
Workers										
Permanent										
Male	1,108	450	40.61%	658	59.39%	1128	991	87.85	137	12.15
Female	2,795	2,655	94.99%	140	5.01%	2837	2757	97.18	80	2.82
Other than Permanent										
Male	1,020	528	51.76%	492	48.24%	640	537	83.91	103	16.09
Female	921	726	78.83%	195	21.17%	289	212	73.36	77	26.64

3. **Details of remuneration/salary/wages, in the following format:**

   a. **The details are provided below:**

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	36,41,880	0	0
Key Managerial Personnel	2	42,83,760	0	0
Employees other than BoD and KMP	1,481	2,45,808	55	2,40,000
Workers	1,108	1,85,328	2,795	74,100

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2024-25	PY 2023-24
Gross wages paid to females as % of total wages	64.84%	60.01%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   The human resource department at Flair is responsible for handling human rights issues that may arise from the company's operations. This includes ensuring that all company policies and practices respect human rights, providing regular training to employees, and making sure there are clear ways for staff to report any concerns. By managing these areas, HR helps create a fair workplace where any problems related to human rights are addressed quickly and properly, supporting an environment of respect and equality for everyone.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   Flair encourages employees to first raise any issues or grievances with their immediate supervisor, enabling prompt and direct resolution. If the concern remains unresolved, the matter may be escalated to the Head of the Department (HOD), who provides additional oversight and ensures a thorough review. Beyond this, employees can approach Human Resources, where a designated Grievance Redressal Officer confidentially records the complaint, acknowledges receipt within three working days, and works with a cross-functional committee to investigate and resolve the issue—typically within 30 days. Throughout the process, confidentiality is maintained and employees may request support or representation at any stage. This structured, multi-level mechanism not only offers clear escalation paths but also incorporates regular monitoring and reporting to senior management, reinforcing Flair's commitment to fairness, transparency, and employee well-being.

6. **Number of Complaints on the following made by employees and workers:**

   The details are provided below:

Category	FY'2024-25			FY'2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NA	NA	No	NA	NA
Discrimination at workplace	NIL	NA	NA	No	NA	NA
Child Labour	NIL	NA	NA	No	NA	NA
Forced Labour/ Involuntary Labour	NIL	NA	NA	No	NA	NA
Wages	NIL	NA	NA	No	NA	NA
Other Human rights related issues	NIL	NA	NA	No	NA	NA

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024-25	PY 2023-24
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Complaints on POSH as a % of female employees / workers	0	0
iii) Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Flair has established a robust whistle-blower policy to uphold ethical conduct and transparency across the organization. This policy allows directors, employees, customers, and vendors to confidentially report any concerns about unethical behaviour, fraud, or violations of the company's code of conduct to the Chairman of the Audit Committee or via email. Flair guarantees protection against victimization for all whistle-blowers and commits to thoroughly investigating each report and taking appropriate corrective action, thereby reinforcing trust and accountability at every level of the business.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes

10. **Assessment for the year:**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	For the reporting year, human rights assessments were not conducted at the Company's plants and offices. However, the Company remains committed to maintaining high standards in this area and continues to evaluate its approach to ensure alignment with applicable regulations and global best practices.
Forced Labour/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Other- please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

NA

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

NA

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

NA

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Flair ensures that its premises and offices are fully accessible to differently abled visitors, creating a welcoming and barrier-free environment for all guests in line with the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

Principle 6:

Business should respect and make efforts to protect and restore the environment.

Essential Indicator:

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY'2024-25	FY'2023-24
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**0**	**0**
From non-renewable sources		
Total electricity consumption (D)	95,565.40	35,684.66
Total fuel consumption (E)	3,347.06	751.34
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	**98,912.46**	**36,436**
Total energy consumed (A+B+C+D+E+F)	**98,912.46**	**36,436**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	10.42	3.97
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)**	215.26	82.02
Energy intensity in terms of physical output*	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

*Due to Flair's diverse product range spanning writing instruments, houseware items, and flexible packaging with different physical units of measurement, calculating a consolidated energy intensity per physical output is not practicable without standardizing across heterogeneous product categories.

** The PPP values have been considered as per IMF data in accordance with BRSR guidelines. Additionally, the values for the previous year have been revised using the PPP factor of 20.66.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY'2024-25	FY'2023-24
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	35205.40	18,750.10
(iii) Third party water	0	126
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**35,205.40**	**18,876.10**
Total volume of water consumption (in kilolitres)	**30,227.40**	**15,474.10**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	3.18	1.68
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	65.78	34.71
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. **Provide the following details related to water discharged:**

Parameter	FY'2024-25	FY'2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	4,978	3,402
- No treatment	0	0
- With treatment – please specify level of treatment	4,978	3,402
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	**4,978**	**3,402**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. **Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Yes. The Company has implemented Zero Liquid Discharge mechanisms at two of its facilities. Sewage treatment plants with capacities of 50 KLD at Daman and 100 KLD at Valsad have been installed to treat domestic wastewater. The treated water is reused for toilet flushing and gardening, reinforcing the Company's commitment to sustainable water management.

6. **Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:**

Parameter	Unit	FY'2024-25	FY'2023-24
NO_x	mg/m³	28.17	25.74
SO_x	mg/m³	24.25	29.64
Particulate matter (PM)	mg/m³	37.205	44.11
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	PPM	1.25	2
Hazardous air pollutants (HAP)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Eco-Clean consulting services, Surat

7. **Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY'2024-25	FY'2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	209.23	54.67
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	19,298.89	7,136.93
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	$MTCO_2e$/in million	2.05	0.78
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	$MTCO_2e$/in million Dollar USD	42.46	16.11
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

8. **Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.**

The Company has undertaken several strategic initiatives aimed at reducing its greenhouse gas (GHG) emissions. A key project in this regard includes the commissioning of a 1.85 MW rooftop solar power installation across its Valsad and Daman units, contributing significantly to the shift towards cleaner and renewable energy sources. In addition to solar energy deployment, the Company has upgraded its facilities with servo-based energy-efficient machinery and implemented natural daylighting in select production zones. These energy efficiency measures not only reduce electricity consumption but also result in measurable reductions in Scope 2 emissions. These efforts are part of Flair's broader commitment to decarbonisation and environmental stewardship.

9. **Provide details related to waste management by the Company, in the following format:**

Parameter	FY'2024-25	FY'2023-24
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	133.72	162.734
E-waste **(B)**	NA	NA
Bio-medical waste **(C)**	NA	NA
Construction and demolition waste **(D)**	NA	NA
Battery waste **(E)**	NA	NA
Radioactive waste **(F)**	NA	NA
Other Hazardous waste. Please specify, if any. **(G)**	0.280566	0.0000162
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B + C + D + E + F + G + H)	**134.00**	**162.73**

Parameter	FY'2024-25	FY'2023-24
Parameter		
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.01	0.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.29	0.41
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	NA
(ii) Re-used	-	NA
(iii) Other recovery operations	-	NA
Total	-	NA
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	NA
(ii) Landfilling	-	NA
(iii) Other disposal operations	-	NA
Total	-	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The organization's waste management practices are structured to ensure effective and environmentally responsible handling. Plastics, including packaging materials, are managed through an outsourced agency, while hazardous waste such as DG oil is addressed by a registered vendor. Paper waste and torn cartons are handled by a local vendor. Moreover, the organization has implemented strategies to reduce the use of hazardous and toxic chemicals by adopting eco-friendly alternatives and enforcing stringent safety protocols. This comprehensive approach enables responsible waste management and helps to minimize environmental impact.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes compliant with all the laws and regulations				

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area – Dehradun, Valsad, Daman

(ii) Nature of operations – Manufacturing

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY'2024-25	FY'2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	23,205	18,640.90
(iii) Third party water	0	126.00
(iv) Seawater / desalinated water	0	0
(v) Others	0	45.63
Total volume of water withdrawal (in kiloliters)	**23,205.40**	**18,812.52**
Total volume of water consumption (in kiloliters)	**18,227.40**	**15,364.90**
Water intensity per rupee of turnover (Water consumed / turnover)		1.57
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	4,978	3,402
- No treatment	0	0
- With treatment – please specify level of treatment	4,978	3,402
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**3,978**	**3,402**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY'2024-2025	FY'2023-2024
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)		-	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity			

Note: Indicate if any independent assessment, evaluation, or assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

4. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative Undertaken	Details of the Initiative	Outcome of the Initiative
1	Rooftop Solar Power Installation	The Company installed a 1.85 MW rooftop solar system at its manufacturing units in Valsad and Daman. This is part of its renewable energy transition strategy.	Reduced reliance on grid electricity, leading to a measurable decrease in Scope 2 GHG emissions.
2	Deployment of Servo-Based Machinery	Energy-efficient servo-based machinery was adopted in manufacturing processes to lower electricity consumption and enhance production precision.	Lower energy usage and improved operational efficiency across shop floors.
3	Natural Daylighting and Efficient Electrical Systems	Integration of natural daylight and energy-efficient electrical systems at various production units.	Reduced lighting-related electricity demand, contributing to energy conservation.
4	Effluent Treatment and Rainwater Harvesting	Installation of Effluent Treatment Plants (ETPs) and rainwater harvesting systems to support water recycling and reduce dependency on freshwater sources.	Enhanced water reuse and reduced environmental impact from effluent discharge.
5	Waste Minimisation and Plastic Reuse	Internally rejected plastic is reused in product packaging and components such as stands. Transition made to reusable crates in place of single-use plastic bags.	Reduction in plastic waste and increased material lifecycle value.
6	Sustainable Product Innovation	Promotion of steel-based hydration products as alternatives to single-use plastic bottles in the houseware segment.	Encouraged consumer transition to reusable products, contributing to long-term environmental sustainability.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The organization has implemented a comprehensive business continuity and disaster management plan. Regular mock drills are conducted to practice disaster response, utilizing safety equipment such as fire extinguishers, sand buckets, hose reels, and alarm systems. Employees receive thorough training on emergency procedures, including evacuation plans and first aid, ensuring they are well-prepared for any incident. Additionally, regular inspections and testing of safety equipment and emergency locations are carried out to ensure they remain in optimal condition and are ready for immediate activation when required.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard ?

NA

7. **% of Value chain partners (by value of business done with such partners) that were assessed for Environmental Impacts?**

   NA

8. **How Many green credits have been generated or produced**

a	By the listed entity	NA
b	By the top ten (in terms of value of purchase and sales respectively) value chain partners	NA

Principle 7:

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicator:

1. a. **Number of affiliations with trade and industry chambers/associations.**

   3

   b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/ National)
1	The Plastics Export Promotion Council	National
2	The All India Exporters' Chamber	National
3	Pen & Stationery Association of India	National
4	Writing Instruments Manufacturers Organisation	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.**

Name of the authority	Brief of the case	Corrective action taken
	NA	

Leadership Indicators

1. **Details of public policy positions advocated by the Company:**

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
			NA		

Principle 8:

Businesses should promote inclusive growth and equitable development.

Essential Indicator:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

S.no	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

Flair Writing Industries Limited carries out its CSR activities in partnership with local implementation partners and NGOs, ensuring that projects are tailored to the specific needs of each community. The company has a system in place for community members to share any grievances or concerns through these partner organizations, making it easier for voices at the grassroots level to be heard. Once a concern is received, it is carefully reviewed and addressed on a case-by-case basis, allowing for thoughtful and effective solutions. By maintaining open channels for feedback and responding promptly, Flair not only supports meaningful community development but also builds lasting trust and positive relationships in the areas where its CSR projects are active.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Location	FY 2024-25	PY 2023-24
Directly sourced from MSMEs/small producers	Data not available / Not identifiable	76.75%
Sourced directly from within India	73.65%	76.75%

Note: For FY 2024–25, while 73.65% of the input materials (by value) were sourced directly from within India, the data pertaining specifically to procurement from MSMEs or small producers is not identifiable due to the unavailability of supplier classification at this level.

4. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25	PY 2023-24
Rural		
% of Job creation in Rural areas	NA	NA
Semi-urban		
% of Job creation in Semi-urban areas	5.10%	4.98%
Urban		
% of Job creation in Urban areas	94.91%	94.11%
Metropolitan		
% of Job creation in Metropolitan areas	NA (No workers in head office)	0.91%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
NA	

2. **Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
NA			

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?**

   No

   (b) From which marginalized/vulnerable groups do you procure?

   NA

   (c) What percentage of total procurement (by value) does it constitute?

   NA

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
NA				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
NA		

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Distribution of Sewing Machines and Hearing Aids	Several individuals across communities (exact number not disclosed)	Majority of the beneficiaries belong to vulnerable and marginalized groups

In FY 2024–25, Flair Writing Industries Limited undertook impactful CSR initiatives aimed at uplifting underprivileged communities. Through partnerships with social organizations such as Republican Pratishthan and Sumangal Berojgar Samajik Sanstha, the Company distributed essential equipment—namely sewing machines and hearing aids to beneficiaries. These initiatives empowered individuals by promoting self-employment, thereby fostering economic independence. With a total CSR spend of 2,71,64,086, a significant portion of the beneficiaries were from vulnerable and marginalized segments of society, reinforcing the Company's commitment to inclusive and sustainable development.

Principle 9:

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicator:

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Flair Writing Industries Limited values customer feedback and takes all concerns about product quality and services seriously. To support this, a dedicated Customer Support Desk is available by phone or email at consumercare@flairpens.com, making it easy for customers to reach out with their queries or complaints. The company has a clear grievance redressal process that includes a thorough review of each issue, investigation by the quality team, root cause analysis, and the implementation of corrective actions. When needed, the company also communicates directly with customers through calls or visits to ensure their concerns are fully understood and resolved. This approach helps Flair maintain high standards of quality and strengthens customer trust.

2. **Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	100%
Recycling and/or safe disposal	Nil

3. **Number of consumer complaints in respect of the following:**

Number of consumer complaints in respect of the following:	FY'2024-25			FY'2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	The Company does not provide any essential services.	Nil	Nil	The Company does not provide any essential services.
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. **Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   No, Flair Writing Industries Limited recognizes the importance of data security and responsible information management. The company has established internal systems and controls to protect data, ensuring that information is handled securely and confidentially. These measures are regularly updated and improved to keep pace with evolving cyber-security and data privacy standards.

As part of its ongoing commitment to digital governance, Flair is working towards developing a formal framework for data protection. This initiative aims to further strengthen the company's approach to safeguarding sensitive information and maintaining trust with stakeholders. By continuously enhancing its practices, Flair demonstrates its dedication to responsible data management in an increasingly digital environment.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

   No such instances

7. **Provide the following information relating to data breaches:**

	Provide the following information relating to data breaches:
a. Number of instances of data breaches along-with impact	NA
b. Percentage of data breaches involving personally identifiable information of customer	
c. Impact, if any, of the data breaches	

Leadership Indicators

1. **Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).**

   Information about Flair Writing Industries Limited's products is easily accessible through the company's official website and major e-commerce platforms. These channels provide detailed and up-to-date descriptions of the full product range, allowing customers to explore features, specifications, and options before making a purchase. This approach ensures that customers have convenient access to comprehensive product information, supporting informed decisions and a smooth buying experience. Product information can be accessed at: https://www.flairworld.in/our-brands.html

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company makes sure that consumers receive clear instructions and important information on product packaging to guide safe and responsible use. By providing details on proper usage, storage, and handling, the Company helps users avoid misuse and supports their safety. This not only protects consumers but also contributes to a better overall experience with the product.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   NA

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)**

   No

Annexure VII

CONSERVATION OF ENERGY:

The Company continues to place strong emphasis on the conservation of energy and natural resources, treating it as a key operational priority.

We maintain full compliance with statutory requirements and proactively adopt environmentally responsible practices, including maximizing natural lighting and ventilation. In addition, ongoing awareness and educational initiatives are conducted to instill energy-conscious behavior among employees.

We remain committed to sustainable supply chain practices, emphasizing green logistics to minimize resource usage, environmental impact, and pollution throughout storage, transport, and packaging. We also continue to invest in renewable energy and energy-saving initiatives across our operations.

Key Energy Conservation Initiatives Undertaken:

- Replaced outdated electronic systems with high-efficiency, 5-star rated alternatives to enhance operational efficiency.
- Broadened the scope of LED lighting installations across additional manufacturing zones.
- Further expanded solar energy capacity at our Daman facilities.
- Deployed new-generation servo-based molding machines, enhancing energy performance and operational precision.
- Sustained regular retrofit programs to improve productivity and energy efficiency.
- Maintained rigorous maintenance schedules for optimal equipment performance.
- Continuously optimized internal processes for better energy management.
- Installed combined 1.85 MW Rooftop Solar Power project at Valsad & Daman– Incorporating Sustainability within Manufacturing

TECHNOLOGY ABSORPTION:

Efforts made towards technology absorption: NIL

Benefits derived such as product improvement, cost reduction, product development or import substitution:

The Company continues to enhance self-reliance in product development and manufacturing efficiency. This includes improvements in productivity, cost optimization, and efforts to substitute imported materials and components with cost-effective alternatives, without compromising quality.

Imported Technology (during the last three years):

We utilize high-precision machinery and moulds sourced from Germany, South Korea, China, Spain, and Switzerland, along with equipment manufactured in India. These facilitate advanced manufacturing capabilities.

The Company has also adopted automatic and semi-automatic machinery for assembly and packaging of pens and is gradually expanding backward integration by manufacturing selected components in-house.

Expenditure on Research and Development: No capital or revenue expenditure was incurred on R&D activities during the financial year.

FOREIGN EXCHANGE EARNINGS & OUTGO:

During the financial year, foreign exchange earnings (actual inflows) amounted to ₹ 15,765.89 lakhs, compared to ₹ 15,802.80 lakhs in the previous year. The foreign exchange outgo (actual outflows) was ₹ 16,657.37 lakhs, compared to ₹ 14,545.20 lakhs in the previous year.

ACKNOWLEDGEMENT

The Board expresses its gratitude to the Company's customers, vendors, bankers, and investors for their continued support. We also acknowledge the cooperation received from the Government of India, state governments, foreign governments, and various regulatory authorities.

We take this opportunity to place on record our appreciation for the dedication and contribution of our employees across all levels, whose efforts remain vital to our sustained growth.

On behalf of the Board of Directors

Place: Mumbai
Date: July 25, 2025

(Khubilal Jugraj Rathod)
Chairman & Whole-Time Director
DIN: 00122867

Annexure VIII

Corporate Governance Report

To comply with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'], the report containing details of Corporate Governance of Flair Writing Industries Limited ('the Company'/ 'Flair') is as follows:

1. Company's Philosophy on Corporate Governance

Corporate Governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. At Flair, it is imperative that your Company's affairs are being managed in a fair and transparent manner.

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success and we remain committed towards maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed hereinafter.

Regarding corporate governance, the Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of SEBI (LODR) Regulations, as applicable. Overall, Flair's comprehensive code of governance promotes responsible and ethical behaviour, aligns with the company's values and goals, and supports the long-term success and stability of the business. By adhering to these principles, Flair demonstrates its commitment to responsible and sustainable practices, which fosters trust with stakeholders and contributes to the long-term success and stability of the business.

The Corporate Governance framework of the Company is based on the following broad practices:

a) Engaging a diverse and highly professional, experienced and competent Board of Directors, with versatile expertise in industry, finance, management and law.

b) Deploying well defined governance structures that establishes checks and balances and delegates decision making to appropriate levels in the organization.

c) Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures.

d) Making high level of disclosures for dissemination of corporate, financial and operational information to all its stakeholders.

e) Having strong systems and processes to ensure full and timely compliance with all legal and regulatory requirements and zero tolerance for non-compliance.

Best Corporate Governance practices

FWIL maintains the highest standards of Corporate Governance. It is the Company's constant endeavour to adopt the best Corporate Governance practices keeping in view the international codes of Corporate Governance and practices of well-known global companies. Some of the best implemented global governance norms include the following:

- All securities related filings with Stock Exchanges and SEBI are reviewed by the Company's Board of Directors.
- The Company has following Board Committees: Audit Committee, Risk Management Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.
- The Company also undergoes Secretarial Audit conducted by an Independent Firm of Practicing Company Secretaries. The Secretarial Audit Report is placed before the Board and forms part of the Annual Report.
- Observance and adherence of all applicable Laws including Secretarial Standards issued by The Institute of Company Secretaries of India.

Governance Policies

At Flair, we strive to conduct our business and strengthen our relationship in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of the codes and policies are

Corporate Governance Report (Contd.)

available at the website of the company at https://www.flairworld.in/investor-relation.aspx

2. Board of Directors

As at March 31, 2025, our Board comprises 10 Directors, of which 5 (five) are Whole-time Directors and 5 (five) are Independent Directors (including one independent woman director). At Flair, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Flair's Board consists of an optimal mix of Executive, Non-Executive and Independent Directors, which is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and Section 152 of the Act. During the year under review and as on date of this report, none of our Directors on the Board:

i. serve as Director in more than ten public companies;

ii. serve as Independent Director in more than seven listed companies; and

iii. none of the Executive Director serve as Independent Director on any listed company.

The Board's actions and decisions are aligned with the Company's best interests. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness.

Size and composition of the Board of Directors as at March 31, 2025 is given below:

Name of Director	Directorship held in other Listed entities along with Category*	Membership and Chairmanship of the Committees of the Board of other Public Companies		No. of Equity Shares Held
		Chairman/ Chairperson	Member	
Mr. Khubilal Jugraj Rathod*	-	-	-	16592235
Mr. Vimalchand Jugraj Rathod*	-	-	-	12440887
Mr. Rajesh Khubilal Rathod*	-	-	-	8276380
Mr. Mohit Khubilal Rathod*	-	-	-	8276380
Mr. Sumit Rathod*	-	-	-	8276380
Mr. Punit Saxena	-	2	-	Nil
Mr. Rajneesh Bhandari	-	-	-	Nil
Mr. Manoj Vinod Lalwani	-	-	-	Nil
Mr. Deven Bipin Shah	-	-	-	Nil
Mrs. Sheetal Bhanot Shetty	-	-	-	Nil

*Mr. Khubilal Jugraj Rathod, Mr. Vimalchand Jugraj Rathod, Mr. Rajesh Khubilal Rathod, Mr. Mohit Khubilal Rathod and Mr. Sumit Rathod are Promoters of the Company.

Notes:

(1) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, total number of Directorships excludes directorships in the Company, Foreign Companies, Private Limited Companies, Companies formed under Section 25 of the erstwhile Companies Act, 1956 and under Section 8 of the Companies Act, 2013.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Chairmanship/ Membership of Committee only includes the Audit Committee and Stakeholders Relationship Committee in other Indian Public Companies (Listed and Unlisted).

(3) There is no inter-se relationship between any Independent Directors.

(4) None of the Directors serve as Director or as an Independent Director ("ID") in more than seven listed companies and none of the Executive Directors serve as ID's in more than three listed companies.

(5) The Directorship/Committee membership is based on the disclosures received from the Directors as on March 31, 2025.

Corporate Governance Report (Contd.)

Inter-se Relationship between our Directors and Key Managerial Personnel and Senior Management

Except as disclosed below, none of our Directors are related to each other or to any of our Key Managerial Personnel or Senior Management.

Further, none of our Independent Directors serve as Non-Independent Director of any company on the board of which any of our Non-Independent Directors is an Independent Director i.e. None of the directors have any inter-se relationship and each one of them is independent to each other.

Name	Relationship
Mr. Khubilal Jugraj Rathod	Brother of Mr. Vimalchand Jugraj Rathod
	Father of Mr. Rajesh Khubilal Rathod
	Father of Mr. Mohit Khubilal Rathod
	Uncle of Mr. Sumit Rathod
Mr. Vimalchand Jugraj Rathod	Brother of Mr. Khubilal Jugraj Rathod
	Father of Mr. Sumit Rathod
	Uncle of Mr. Mohit Khubilal Rathod and Mr. Rajesh Khubilal Rathod
Mr. Rajesh Khubilal Rathod	Son of Mr. Khubilal Jugraj Rathod
	Brother of Mr. Mohit Khubilal Rathod
	Nephew of Mr. Vimalchand Jugraj Rathod
	Cousin of Mr. Sumit Rathod
Mr. Mohit Khubilal Rathod	Son of Mr. Khubilal Jugraj Rathod
	Brother of Mr. Rajesh Khubilal Rathod
	Nephew of Mr. Vimalchand Jugraj Rathod
	Cousin of Mr. Sumit Rathod
Mr. Sumit Rathod	Son of Mr. Vimalchand Jugraj Rathod
	Nephew of Mr. Khubilal Jugraj Rathod
	Cousin of Mr. Mohit Khubilal Rathod and Mr. Rajesh Khubilal Rathod

Core Skills / Expertise / Competencies available with the Board

The Board comprises qualified Members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The Matrix setting out the Skills, Expertise and Competencies available with the Board in context of business of the Company is as under:

Sr. No.	Name of Director	Leadership Operations	Strategic Planning	Industry Experience, Technical, Research & Development and Innovation	Global Business	Finance & Legal	Corporate Governance, Compliance & Risk Management
1.	Mr. Khubilal Jugraj Rathod	✓	✓	✓	✓	-	✓
2.	Mr. Vimalchand Jugraj Rathod	✓	✓	✓	✓	✓	✓
3.	Mr. Rajesh Khubilal Rathod	✓	✓	✓	✓	-	✓
4.	Mr. Mohit Khubilal Rathod	✓	✓	✓	✓	✓	✓
5.	Mr. Sumit Rathod	✓	✓	✓	✓	✓	✓
6.	Mr. Rajneesh Bhandari	✓	✓	-	✓	✓	✓
7.	Mr. Punit Saxena	✓	✓	-	✓	✓	✓
8.	Mr. Manoj Vinod Lalwani	✓	✓	✓	✓	-	✓
9.	Mr. Deven Bipin Shah	✓	✓	-	✓	✓	✓
10.	Mrs. Sheetal Bhanot Shetty	✓	✓	-	✓	-	✓

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the financial year ended March 31, 2025 except for payment of sitting fees, and reimbursement of expenses, if any, incurred in the discharge of their duties.

Corporate Governance Report (Contd.)

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as an Independent Director on the Board. The Committee, inter-alia, considers criteria as prescribed under the Companies Act, 2013 ('the Act') and SEBI (LODR) Regulations viz. positive attributes, area of expertise, number of directorships and memberships held in various committees of other companies by such persons in accordance with the Company's Policy. The Board considers the Committee's recommendation and takes appropriate decision.

A statement in connection with fulfilling the criteria of Independence and Directorships as required under the provisions of the Act and SEBI (LODR) Regulations received from each of Independent Director is disclosed in the Board's Report. Your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Act. Terms and Conditions for appointment of Independent Directors are available on website of the Company at https://www.flairworld.in/investor-relation.aspx.

In the opinion of the Board, the Independent Directors fulfil the conditions as specified in the Act and SEBI (LODR) Regulations and are Independent of the management.

Independent Directors' Induction and Familiarization

The Company's familiarisation programmes for its Independent Directors includes an overview of the business model of the Company and its material subsidiary, the socio-economic environment in which the Company operates, the operational and financial performance of the Company and the significant developments taking place on a continuous basis. The Company also familiarises the independent directors with their roles, rights and responsibilities in the Company. The details of such familiarization programme imparted to Independent Directors are posted on website of the Company at https://www.flairworld.in/investor-relation.aspx.

Board Evaluation

The evaluation of all the directors, committees, chairperson of the Board, and the Board as a whole, was conducted based on the criteria and framework adopted by the Committee. The Board sought the feedback of Directors on various parameters including:

i. Board Structure and Composition

ii. Effectiveness of Board processes, information, roles, responsibilities and functioning of the Board

iii. Establishment and delineation of responsibilities to Committees

iv. Quality of relationship between the Board and the Management

v. Professional Development

In a separate meeting of the Independent Directors, the performance of the Non-Independent Directors, the Board as a whole and Chairperson of the Company were evaluated considering the views of Executive Directors and other Non- Executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole. Board Evaluation for the FY 2024-25 has been completed by the Company internally which included the evaluation of the performance of the Board as a whole, Board Committees and Directors individually including Chairman of the Board and results of the same were shared with the Board.

Separate Meeting of Independent Directors

Schedule IV of the Act, Listing Regulations and Secretarial Standard – 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non- Independent Directors.

The Independent Directors Meetings was held on January 30, 2025. In addition to formal meetings, interactions also take place between the Whole-time Directors and Independent Directors in regular intervals.

Directors and Officers Insurance

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has undertaken Directors and Officers insurance ('D&O insurance') for all its Directors, including independent directors, for a quantum and risks as determined by the Board of Directors of the Company.

3. Board Meetings, Board Committee Meetings and Procedure

Board is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies, their effectiveness and ensures that shareholders' long term interests are being served.

As on date of this report, the Board has 5 (Five) Committees, namely Audit Committee, Risk Management Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate

Corporate Governance Report (Contd.)

Social Responsibility Committee. The Company's internal guidelines for Board/Board Committee meetings facilitate the decision making process at its meetings in an informed and efficient manner.

Board/Committee Meetings

The Board meets at regular intervals to discuss and decide on Company / business policies and strategies apart from other regular business matters. The Board/ Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to all Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The information, as required under Regulation 17(7) read with Schedule II Part A of the SEBI Listing Regulations, is made available to the Board. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board. The Board is updated on the discussions held at the Committee meetings. Agenda of the Board/ Committee Meetings is set by the Company Secretary in consultation with the CFO, Whole-time Director(s) and the Chairman of the Company. The agenda is generally circulated a week prior to the date of the meeting and includes detailed notes on items to be discussed at the meeting to enable the Directors to take an informed decision. However, in case of urgency, the agenda is circulated along with shorter notice as per the provisions of the Secretarial Standard on Meetings of the Board of Directors issued by the Institute of Company Secretaries of India. Usually meetings of the Board are held at Registered Office of the Company at Mumbai.

Board meets at least once in a quarter to review inter-alia the quarterly results, compliances and performance of the Company. Additional meetings are held on need basis. The Company also provides facility to the Directors to attend meetings of the Board and its Committees through Video/Tele Conferencing mode.

7 (Seven) meetings of the Board of Directors were held during the FY 2024-25 on May 27, 2024, July 03, 2024, July 30, 2024, August 10, 2024, November 08, 2024, November 26, 2024, and January 31, 2025. The gap between two Board meetings was within the limit prescribed under Section 173(1) of the Act and Regulation 17(2) of the SEBI (LODR) Regulations.

The Composition and categories of the Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting ('AGM') held during the financial year 2024-25:

Name	Category	No. of Board Meetings held and attended during the F.Y. 2024-25			Whether attended last AGM held on August 22, 2024
		Held	Entitled	Attended	
Mr. Khubilal Jugraj Rathod	Chairman,Promoter Executive	7	7	7	Yes
Mr. Vimalchand Jugraj Rathod	Managing Director - Promoter Executive	7	7	6	Yes
Mr. Rajesh Khubilal Rathod	Whole time Director - Promoter Executive	7	7	6	Yes
Mr. Mohit Khubilal Rathod	Whole time Director - Promoter Executive	7	7	7	Yes
Mr. Sumit Rathod	Whole time Director - Promoter Executive	7	7	7	Yes
Mr. Punit Saxena	Independent Director	7	7	7	Yes
Mr. Rajneesh Bhandari	Independent Director	7	7	5	Yes
Mr. Manoj Vinod Lalwani	Independent Director	7	7	4	Yes
Mr. Deven Bipin Shah	Independent Director	7	6	7	Yes
Mrs. Sheetal Bhanot Shetty	Independent Woman Director	7	7	2	Yes

Corporate Governance Report (Contd.)

The present composition of the Committees is in accordance with the provisions of the Listing Regulations and the Act, details of which are as follows:

Audit Committee	Risk Management Committee
1. Mr. Punit Saxena- Chairman	1. Mr. Vimalchand Jugraj Rathod- Chairman
2. Mr. Vimalchand Jugraj Rathod- Member	2. Mr. Punit Saxena- Member
3. Mr. Rajneesh Bhandari- Member	3. Mr. Manoj Vinod Lalwani- Member

Nomination and Remuneration Committee	Corporate Social Responsibility Committee
1. Mr. Rajneesh Bhandari- Chairman	1. Mr. Khubilal Jugraj Rathod- Chairman
2. Mr. Manoj Lalwani- Member	2. Mr. Vimalchand Jugraj Rathod- Member
3. Mrs. Sheetal Bhanot Shetty - Member	3. Mr. Rajesh Khubilal Rathod - Member
	4. Mr. Rajneesh Bhandari- Member

Stakeholders' Relationship Committee
1. Mr. Punit Saxena – Chairman
2. Mr. Vimalchand Jugraj Rathod- Member
3. Mr. Rajesh Khubilal Rathod- Member

Mr. Vishal Chanda, Company Secretary and Compliance Officer, is the secretary of all the committees constituted by the Board.

Meetings of Committees held during the FY 2024-25 and Directors' attendance:

Committees of the Company	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee	Corporate Social Responsibility Committee
Meetings Held	4	2	1	2	2
Director's Attendance					
Mr. Khubilal Jugraj Rathod	*	*	*	*	2/2
Mr. Vimalchand Jugraj Rathod	4/4	*	1/1	*	2/2
Mr. Rajesh Khubilal Rathod	*	*	1/1	*	2/2
Mr. Mohit Khubilal Rathod	*	*	*	*	*
Mr. Sumit Rathod	*	*	*	*	*
Mr. Punit Saxena	4/4	*	1/1	*	*
Mr. Rajneesh Bhandari	4/4	2/2	*	*	0/2
Mr. Manoj Vinod Lalwani	*	2/2	*	*	*
Mrs. Sheetal Bhanot Shetty	*	2/2	*	*	*

*Not a Member of the Committee

Corporate Governance Report (Contd.)

DETAILS OF COMMITTEES

I. Audit Committee and its Meetings

The Committee met 4 (Four) times during the year under review on May 25, 2024, August 10, 2024, November 08, 2024 and January 31, 2025. The requisite quorum was present at all the meetings of the Audit Committee. The Audit Committee was constituted by your Board pursuant to resolution dated August 9, 2018 and re-constituted by our Board pursuant to resolution dated June 09, 2023 and circular resolution dated April 23, 2024. The terms of reference of the Audit Committee were last revised by our Board pursuant to a resolution dated June 9, 2023.

Terms of Reference for the Audit Committee:

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as disclosed below:

(a) overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(b) recommending to the Board the appointment, re-appointment, removal and replacement, remuneration and the terms of appointment of the auditors of the Company, including fixing the audit fees;

(c) reviewing and monitoring the statutory auditors' independence and performance, and effectiveness of audit process;

(d) approving payments to the statutory auditors for any other services rendered by statutory auditors;

(e) reviewing, with the management, the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:

(i) matters required to be stated in the Directors' responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act;

(ii) changes, if any, in accounting policies and practices and reasons for the same;

(iii) major accounting entries involving estimates based on the exercise of judgment by management;

(iv) significant adjustments made in the financial statements arising out of audit findings;

(v) compliance with listing and other legal requirements relating to financial statements;

(vi) disclosure of any related party transactions; and

(vii) qualifications and modified opinions in the draft audit report.

(f) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(g) scrutinizing of inter-corporate loans and investments;

(h) undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;

(i) evaluation of internal financial controls and risk management systems, the Company's cash, debt, debt covenants and other financial readiness measures;

(j) formulating a policy on related party transactions, which shall include materiality of related party transactions;

(k) approving transactions of the Company with related parties, or any subsequent modification thereof and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(l) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(m) reviewing along with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.;

(n) establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(o) reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

(p) reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

Corporate Governance Report (Contd.)

(q) discussing with internal auditors any significant findings and follow up thereon;

(r) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(s) discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(t) looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

(v) reviewing the functioning of the whistle blower mechanism;

(w) ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

(x) formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;

(y) reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

(z) considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(aa) investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;

(bb) reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;

(cc) Reviewing:

(i) Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;

(ii) Any material default in financial obligations by the Company;

(iii) Any significant or important matters affecting the business of the Company.

(dd) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act or other applicable law

The Audit Committee shall have powers, including the following:

(a) to investigate any activity within its terms of reference;

(b) to seek information from any employees;

(c) to obtain outside legal or other professional advice;

(d) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(e) to have such powers as may be prescribed under the Companies Act and the SEBI Listing Regulations.

The Audit Committee shall mandatorily review the following information:

(a) management's discussion and analysis of financial condition and result of operations;

(b) management letters/letters of internal control weaknesses issued by the statutory auditors;

(c) internal audit reports relating to internal control weaknesses;

(d) the appointment, removal and terms of remuneration of the chief internal auditor;

(e) the examination of the financial statements and the auditors' report thereon; and

Corporate Governance Report (Contd.)

(f) statement of deviations, including:

(i) quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

(g) the financial statements, in particular, the investments made by any unlisted subsidiary.

The Audit Committee is required to meet at least four times in a year with a maximum interval of 120 days between two meetings in accordance with the SEBI Listing Regulations. The Audit Committee has the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by our Board for such purpose.

Vigil Mechanism/Whistle-Blower Policy

The Company has adopted a Whistle Blower Policy (Vigil Mechanism) which has been posted on the Company's website and can be viewed on https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Whistleblower_Policy.pdf under the head "Corporate Policies" of Investor Relation page of website of the Company. No personnel have been denied access to the audit committee.

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee ('NRC') met 2(two) times during the year under review on May 25, 2024 and July 03, 2024. The requisite quorum was present at all the meetings of the NRC. The NRC was constituted by the Board pursuant to a resolution dated August 9, 2018. The NRC was last re-constituted by our Board pursuant to a resolution dated June 9, 2023. The terms of reference of the NRC were last revised by our Board pursuant to a resolution dated June 9, 2023.

Terms of Reference for the Nomination and Remuneration Committee

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013, the SEBI Listing Regulations and other applicable law and its terms of reference include the following:

(a) identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairperson of the Board and the Chief Executive Officer;

(b) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board, a policy relating to the remuneration of the directors, key managerial personnel and other employees;

(c) while formulating the above policy, ensuring that:

(i) the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(d) formulating criteria for evaluation of performance of independent directors and the Board;

(e) devising a policy on diversity of the Board;

(f) evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director, for every appointment of an independent director. Ensuring that the person recommended to the Board for appointment as an independent director has the capabilities identified in such description. Further, for the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates;

(g) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance and specifying the manner for effective

Corporate Governance Report (Contd.)

evaluation of performance of Board, its committees and individual directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviewing its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(h) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(i) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;

(j) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

(k) recommending to the Board, all remuneration, in whatever form, payable to senior management;

(l) performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(m) administering the employee stock option scheme/ plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") including the following:

(i) determining the eligibility criteria and selection of employees to participate under the ESOP Scheme;

(ii) determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) date of grant;

(iv) determining the exercise price of the option under the ESOP Scheme;

(v) the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) re-pricing of the options which are not exercised, whether or not they have been vested if stock option is rendered unattractive due to fall in the market price of the equity shares;

(x) the grant, vesting and exercise of option in case of employees who are on long leave;

(xi) the vesting and exercise of option in case of grantee who has been transferred or whose services have been seconded to any other entity within the group at the instance of the Company;

(xii) allowing exercise of unvested options on such terms and conditions as it may deem fit;

(xiii) the procedure for cashless exercise of options;

(xiv) forfeiture/ cancellation of options granted;

(xv) arranging to get the shares issued under the ESOP Scheme listed on the stock exchanges on which the equity shares of the Company are listed or maybe listed in future.

(xvi) formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

a. the number and the price of the option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;

b. for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

c. the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

Corporate Governance Report (Contd.)

(n) construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(o) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

(p) analysing, monitoring and reviewing various human resource and compensation matters;

(q) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(r) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

(s) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act, or other applicable law.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee met 1(one) time during the year under review on January 31, 2025. The requisite quorum was present at the committee meeting. The Stakeholders' Relationship Committee was constituted and the terms of reference of the Stakeholders' Relationship Committee were approved by our Board pursuant to a resolution dated June 9, 2023.

Terms of Reference for the Stakeholders' Relationship Committee

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013, the SEBI Listing Regulations and other applicable law and its terms of reference include the following:

(a) redressal of grievances of the shareholders, debenture holders and other security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(b) reviewing measures taken for effective exercise of voting rights by the shareholders;

(c) investigating complaints relating to allotment of shares, approving transfer or transmission of shares, debentures or any other securities; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent and recommending measures for overall improvement in the quality of investor services;

(d) reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(e) formulating procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(f) approving, registering, refusing to register transfer or transmission of shares and other securities;

(g) giving effect to dematerialisation of shares and re-materialisation of shares, sub-dividing, consolidating and/or replacing any share or other securities certificate(s) of the Company, compliance with all the requirements related to shares, debentures and other securities from time to time;

(h) issuing duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company; and

(i) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.

Name, designation and address of Company Secretary & Compliance Officer:	Mr. Vishal Kishor Chanda, Company Secretary Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India.

Corporate Governance Report (Contd.)

Details of Investor Communication/ Queries received and redressed during FY 2025 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	2	2	0

Risk Management Committee

The Risk Management Committee was constituted and the terms of reference of the Risk Management Committee were last revised by the Board pursuant to a resolution dated June 9, 2023. Pursuant to Regulation 21 of the SEBI (LODR) Regulations, the risk management committee shall meet at least twice in a year. However, the provisions of Regulation 21 shall be applicable to the top 1000 listed entities, determined on the basis of market capitalization as at the end of the immediate preceding financial year; and a 'high value debt listed entity'.

The Risk Management Committee (RMC Committee) met 2 (Two) times during the year under review on May 25, 2024 and November 26, 2024. The requisite quorum was present at all the RMC meetings.

Terms of Reference for the Risk Management Committee

The scope and functions of the Risk Management Committee are in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference include the following:

(a) To formulate a detailed risk management policy which shall include:

(i) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the risk management committee;

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and

(iii) Business continuity plan.

(b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems;

(d) To periodically review the risk management policy of the Company, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;

(g) To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;

(h) To review the status of the compliance, regulatory reviews and business practice reviews;

(i) To review and recommend the Company's potential risk involved in any new business plans and processes;

(j) To review the appointment, removal and terms of remuneration of the chief risk officer, if any; and

(k) To perform such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSR Committee) met 2(Two) times during the year under review on May 28, 2024 and January 28, 2025. The requisite quorum was present at the committee meeting. The CSR Committee was constituted by the Board pursuant to a resolution dated October 27, 2017. The CSR Committee was last re-constituted and the terms of reference of the CSR Committee were last revised by our Board pursuant to a resolution dated June 9, 2023.

Terms of Reference for the CSR Committee

The scope and functions of the CSR Committee are in accordance with Section 135 of the Companies Act, 2013 and other applicable law and its terms of reference include the following:

(a) formulating and recommending to the Board, the policy on corporate social responsibility ("CSR", and

Corporate Governance Report (Contd.)

such policy, the "CSR Policy"), indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act;

(b) identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) recommending the amount of expenditure to be incurred on the CSR activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) formulating the annual action plan of the Company.

(e) delegating responsibilities to the CSR team and supervising proper execution of all delegated responsibilities;

(f) monitoring the CSR Policy and CSR programmes and their implementation by the Company from time to time and issuing necessary directions as required for proper implementation and timely completion of CSR programmes; and

(g) performing such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Corporate Social Responsibility Committee.

Recording of minutes of proceedings of Board and Committee meetings

The Company Secretary ensures appropriate recording of minutes of proceedings of each Board and Committee Meeting. The minutes are entered in the Minutes Book within 30 (thirty) days from the date of conclusion of the meetings as per the Secretarial Standards issued by The Institute of Company Secretaries of India.

Key Managerial and Senior Management Personnel:

Serial No.	Name of Key Managerial Personnel	Designation
1.	Mr. Khubilal Jugraj Rathod	Whole-time Director and Chairman
2.	Mr. Vimalchand Jugraj Rathod	Managing Director
3.	Mr. Rajesh Khubilal Rathod	Whole-time Director
4.	Mr. Mohit Khubilal Rathod	Whole-time Director
5.	Mr. Sumit Rathod	Whole-time Director
6.	Mr. Alpesh Porwal (appointed w.e.f. July 03, 2024)	Chief Financial Officer
7.	Mr. Vishal Kishor Chanda	Company Secretary & Compliance Officer

Serial No.	Name of Senior Management Personnel	Designation
1.	Mr. Jatin Chadha	Chief Operating Officer
2.	Mr. Pavan Nemchand Jain	Senior Manager – Purchase
3.	Mr. Vinayak Bhaskar Vetekar	Senior Vice President - Sales
4.	Mr. Naveen Kapoor	Assistant General Manager – Factory and Administration
5.	Ms. Vijaya Mallya	Head – Human Resources
6.	Ms. Priyanka Taksali	Head – Accounts

During the financial year 2024-25 Mr. Mayur Dhansukhlal Gala, Chief Financial Officer has resigned w.e.f. June 29, 2024 and Mr. Alpesh Porwal, appointed as Chief Financial Officer w.e.f. July 03, 2024.

Corporate Governance Report (Contd.)

REMUNERATION OF DIRECTORS

Remuneration Policy

In terms of Section 178 of the Act and Regulation 19 read with schedule II (Part D) of the Listing Regulations, the Board of your Company, on recommendation of the Nomination and Remuneration Committee ("NRC"), adopted Remuneration policy for Directors, Key Managerial Personnel and other Employees which sets out criteria for the remuneration for Directors, Key Managerial Personal ('KMP') and other employees so as to attract, retain and reward talent who will contribute to our long-term success and thereby build value for the shareholders.

Remuneration of Directors:

- Executive Directors shall be eligible for remuneration as may be approved by the Board on recommendation of the NRC Committee. The remuneration to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Act and the rules made thereunder.
- Non-Executive/Independent Directors will be eligible for sitting fees for attending meetings of Board or Committee as fixed by the Board on the recommendation of the NRC Committee in accordance with the provisions of the Act, and the rules made thereunder. The criteria of making payment to Non-Executive/Independent Directors forms part of the Nomination and Remuneration policy which is uploaded on the website of the Company and can be accessed at the weblink: https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Nomination_Remuneration_Policy.pdf

Details of Remuneration/Sitting fee paid to the Directors for the FY 2024-25 is as follows-

(₹ in lakhs)

Sr. No.	Name of Director	Salary (Fixed Salary)	Benefits /Variable	Commission	Bonuses	Stock Option & Pension	Sitting Fees	Total
1	Mr. Khubilal Jugraj Rathod	72.60	-	-	-	-	-	72.60
2	Mr. Vimalchand Jugraj Rathod	72.60	-	-	-	-	-	72.60
3	Mr. Rajesh Khubilal Rathod	72.64	-	-	-	-	-	72.64
4	Mr. Mohit Khubilal Rathod	72.64	-	-	-	-	-	72.64
5	Mr. Sumit Rathod	72.64	-	-	-	-	-	72.64
6	Mr. Deven Bipin Shah	-	-	-	-	-	2.10	2.10
7	Mr. Punit Saxena	-	-	-	-	-	3.50	3.50
8	Mr. Rajneesh Bhandari	-	-	-	-	-	2.40	2.40
9	Mr. Manoj Vinod Lalwani	-	-	-	-	-	1.80	1.80
10	Mrs. Sheetal Bhanot Shetty	-	-	-	-	-	1.30	1.30

During the year, there was no pecuniary relationship or transaction between the Company and any of its Non- Executive Directors apart from sitting fees. At present Company does not have any approved ESOP/ESPS Schemes. The details of specific service contracts, notice period and severance fees etc. are governed by the appointment letter issued.

Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity: There is no pecuniary or business relationship between the Non-Executive/Independent Directors and the Company, except for the sitting fees for attending meetings of the Board/Committees thereof and remuneration payable to them annually.

The appointment of Executive Directors, Key Managerial Personnel and other employees is by virtue of their employment with the Company, therefore, their terms of employment vis-a-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies at the relevant point in time.

Corporate Governance Report (Contd.)

GENERAL BODY MEETING

The Annual General Meetings ('AGM') of the Company during the preceding three years were held at the following venue, date and time, wherein the following special resolutions were passed:

AGM	Year	Time	Date	Location	Special Resolutions
8th	2023-24	3.00 pm	August 22, 2024	Registered Office	• Appointment of Mr. Deven Bipin Shah (DIN: 00604010) as an Independent Director of the Company
7th	2022-23	4.00 pm	June 26, 2023	Registered Office	• Change in Designation of Mr. Khubilal Jugraj Rathod (DIN- 00122867) • Re-Appointment of Mr. Bishan Singh Rawat (DIN: 08139018) as Non-Executive and Independent Director of the Company. • Approval of Initial Public offer • Revision of Articles of Association • Increase in Overall Limit for NRI and Overseas Citizens of India
6th	2021-22	4.00 pm	September 30, 2022	Registered Office	No such Resolution

No Special Resolution has been passed last year through Postal Ballot. No special resolution is proposed to be conducted through postal ballot as on the date of this report. Resume and other information regarding the director seeking re-appointment/continuation as required under Regulation 36 (3) of Listing Regulations, 2015 has been given in the Notice of the Annual General Meeting annexed to this Annual Report.

Means of Communication

- **Quarterly Results:** Your Company's quarterly financial results are submitted to the stock exchanges within forty-five days from the end of the quarter and the audited annual results are announced within sixty days from the end of the financial year as required under the Listing Regulations which are also available on the website of your Company at https://www.flairworld.in/investor-relation.aspx under Financial Data.

  Newspapers wherein results normally published: The results are usually published in English newspaper having country-wide circulation and in Marathi newspaper where the registered office of the Company is situated. These results are displayed on the website of the Company https://www.flairworld.in/investor-relation.aspx under Financial Data along with other news releases and presentations, if any, made to institutional investors or to analysts among others.

- **Compliance reports, corporate announcements, material information and updates:** Your Company disseminates the requisite compliance reports and corporate announcements/updates to the stock exchanges through their designated portal.

- **Any Website, where displayed:** Your Company's website https://www.flairworld.in/investor-relation.aspx contains a separate section for investors. Information on various topics such as the Board of Directors, Committees of the Board, Annual Reports, various policies, intimation to stock exchanges etc. are available on the website.

- **Whether it also displays official news releases:** Press release pertaining to results are uploaded on the website of the company at https://www.flairworld.in/investor-relation.aspx

- **Presentations made to institutional investors or to the analysts:** Earnings calls on financials/quarterly results are held with analysts and investors and their transcripts are published on the website at https://www.flairworld.in/investor-relation.aspx

GENERAL SHAREHOLDER INFORMATION

- Corporate Identification Number: L51100MH2016PLC284727

- Registered Office Address: Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India.

- Annual General Meeting through Video Conferencing / Other Audio-Visual Means Facility

  Date: Tuesday, August 19, 2025

  Time: 03.00 p.m. (IST)

- Venue: Meeting through VC/OAVM

  Deemed Venue for Meeting: Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India

- Financial Year: The financial year covers the period from April 01, 2024 to March 31, 2025.

Corporate Governance Report (Contd.)

Listing Details

As on March 31, 2025, the Company has issued fully paid-up Equity Shares which are listed on BSE Limited and National Stock Exchange of India Limited in India. The annual Listing fees have been paid to the respective stock exchanges. The Ordinary Shares of the Company have not been suspended from trading on the stock exchanges by any regulatory/ statutory authority.

ISIN and Stock code details:

Stock Exchange	ISIN	Stock Code
BSE Limited ('BSE'), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India	INE00Y201027	544030
National Stock Exchange of India Limited ('NSE') Exchange plaza, 5th floor, Plot no. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400 051, Maharashtra, India.	INE00Y201027	FLAIR

Distribution of Shareholding as on March 31, 2025:

Distribution Of Shareholding Based On Shares Held							
SERIAL No.	SHARES RANGE			No. of Shareholders	% of total Shareholders	Total Shares for the range	% of Issued Capital
1	1	to	500	62985	93.4953	3958075	3.7555
2	501	to	1000	2712	4.0257	1884742	1.7883
3	1001	to	2000	974	1.4458	1375836	1.3054
4	2001	to	3000	273	0.4052	675884	0.6413
5	3001	to	4000	125	0.1856	440616	0.4181
6	4001	to	5000	84	0.1247	392036	0.3720
7	5001	to	10000	124	0.1841	890288	0.8447
8	10001	to	above	90	0.1336	95777901	90.8749
	Total			**67367**	**100.0000**	**105395378**	**100.0000**

Distribution Of Shareholding Based On Nominal Value (INR)							
SERIAL No.	Shareholding Of Nominal Value (Inr)			No. of Shareholders	% OF TOTAL	SHARE AMOUNT (INR)	% OF TOTAL SHARE AMOUNT
1	1	to	2500	62985	93.4953	19790375	3.7555
2	2501	to	5000	2712	4.0257	9423710	1.7883
3	5001	to	10000	974	1.4458	6879180	1.3054
4	10001	to	15000	273	0.4052	3379420	0.6413
5	15001	to	20000	125	0.1856	2203080	0.4181
6	20001	to	25000	84	0.1247	1960180	0.3720
7	25001	to	50000	124	0.1841	4451440	0.8447
8	50001	to	Above 50001	90	0.1336	478889505	90.8749
	Total			**67367**	**100.0000**	**526976890.00**	**100.0000**

Corporate Governance Report (Contd.)

Category & Name of the shareholders	Demat Securities	Demat Holders	Physical Securities	Physical Holders	Total Securities	Total Holders	% of issued capital
Promoters	82829592	10	0	0	82829592	10	78.59
Mutual Fund	3941623	2	0	0	3941623	2	3.74
Body Corporate	1070871	301	0	0	1070871	301	1.02
Hindu Undivided Family	461244	1616	0	0	461244	1616	0.44
Non Resident Indians (NRIs)	283829	544	0	0	283829	544	0.27
Foreign Portfolio Investors Category I	63532	5	0	0	63532	5	0.06
Foreign Portfolio Investors Category II	1231	2	0	0	1231	2	0.00
Public	10488956	64111	0	0	10488956	64111	9.95
Trusts	4936	3	0	0	4936	3	0.00
Body Corp-Ltd Liability Partnership	127099	62	0	0	127099	62	0.12
Alternate Investment Funds	6122450	4	0	0	6122450	4	5.81
Clearing Member	15	1	0	0	15	1	0.00
Total	**105395378**	**66661**	**0**	**0**	**105395378**	**66661**	**100**

Address for correspondence:
FLAIR WRITING INDUSTRIES LIMITED
Secretarial Department
Registered Office- Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, Maharashtra, India
Phone: 022-42030405
E-mail: investors@flairpens.com

Registrar & Share Transfer Agent
MUFG INTIME INDIA PRIVATE LIMITED
C 101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai - 400083.
Phone- (0)8108116767
Toll-free number : 1800 1020 878
Email- rnt.helpdesk@in.mpms.mufg.com

Dematerialization of Shares and Liquidity

The Company has all its Equity Shares with CDSL and NSDL in dematerialized form and the Company's ISIN is INE00Y201027. The share transfers of dematerialized shares can be made through your Depository Participant. Your Company does not have any shareholders holding shares in physical form.

The electronic holding of the shares as on March 31, 2025 through the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) are as follows:

Particulars	March 31, 2025	
	No. of shares	% of Total Issued Capital
NSDL	99743118	94.64
CDSL	5652260	5.36
Total	**10,53,95,378**	**100**

Corporate Governance Report (Contd.)

How to manage your shares effectively?:

The Company's foremost objective is to mitigate / avoid risks relating to shares and related matters, the following are the Company's recommendations to its Members:

1. Consolidate your Multiple Folios: Members are requested to consolidate their shareholding held under multiple folios. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

2. Confidentiality of Security Details: Folio Nos/ DP ID/Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds, delivery instruction slips should not be given to any unknown persons.

3. Update your address and bank details: To receive all communication and corporate actions promptly, please update your address, bank details, Email ID, etc., with the Company or Share Transfer Agent or DP, as the case may be.

4. Quote you Folio Number/s or Demat account details: Always quote your folio number/s or Demat Account Details, for any communication in regard to your shares with the Company or RTA, this will ensure speedy and effective processing.

5. Prevention of frauds: There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, stay abroad or demise of any Member, as and when required

6. Monitor holdings regularly: Do not leave your demat account unchecked for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified

Investor grievance and share transfer system

A robust mechanism is established by your Company which ensures efficient service to the investors, pro-active handling of investor correspondence and redressal of grievances in an expeditious manner. This mechanism is handled by the Compliance Officer of your Company and the RTA, through its investor service centres which are spread across the country.

All transfer, transmission or transposition of securities are conducted in accordance with the provisions of Regulation 40 and Schedule VII of the SEBI LODR, read together with relevant SEBI Circulars. In terms of the SEBI LODR, securities of the Company can only be transferred in dematerialized form.

Online Dispute Resolution Portal ("ODR Portal"):

A mechanism to streamline and strengthen the existing dispute resolution in the Indian Securities Market, SEBI vide Circular No. SEBI/ HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 20, 2023), introduced the ODR Portal. This mechanism enhanced the degree of regulatory supervision by SEBI over disputes between aggrieved parties and the ODR order is binding on both the parties to the dispute. Pursuant to said circular, the aggrieved party can initiate the mechanism through the ODR portal, after exercising the primary options to resolve the issue directly with the Company and through the SCORES platform.

Plant Locations:

Considering the nature of business in which your Company is engaged, it has 11 (eleven) manufacturing plants in India:

Sr. No.	Name of Plants of Flair Writing Industries Limited	Location
1	Naigaon Unit 1	Naigaon, Thane, Maharashtra
2	Daman Unit-II	Daman and Diu
3	Daman Unit-III	
4	Daman Unit-IV	
5	Daman Unit-V	
6	Daman Agarwal Unit	
7	Dehradun Unit I	Dehradun, Uttarakhand
8	Surat Unit	Surat, Gujarat
9	Valsad Building II	Valsad, Gujarat
10	Valsad Building III	
11	Valsad Building IV	

Corporate Governance Report (Contd.)

OTHER DISCLOSURES / COMPLIANCES

Material Wholly-Owned Subsidiary Company – Monitoring Framework

The listed entity did not have any material subsidiaries during the financial year 2024-25. However, during the financial year 2025-26 the Board of directors of the listed entity has identified Flair Writing Equipments Private Limited as its material subsidiary pursuant to regulation 16(1)(c) of the SEBI (LODR) Regulation, 2015 in its Board meeting held on May 22, 2025. The Company has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company at www.flairworld.in. The web-link for the same is

https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Policy_on_Determining_Material_Subsidiary.pdf

The Company does not have a listed subsidiary.

Related Party Transactions & Conflict of Interest

All the contracts/ arrangements/ transactions entered by your Company during the financial year with related parties were in its ordinary course of business and on arms' length basis. The Company has made full disclosure of transactions with the related parties as set out in notes of Standalone Financial Statement, forming part of the Annual Report. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large. The Company has uploaded Related Party Transaction Policy at the following web-link:

https://www.flairworld.in/DataFiles/InfoShareholder/Announcements/Related_Party_Transactions_half_year_ended_March_2024.pdf

The Company and its Wholly-owned subsidiary has not made any loan advances to any entity in which Directors are interested.

Details of non-compliance on matters relating to Capital Market Compliance with Listing Regulations

Equity shares of the Company are listed and traded on National Stock Exchange of India Limited and BSE Limited w.e.f. December 01, 2023. The Company has complied with the Rules, Regulations and Guidelines prescribed by Securities and Exchange Board of India (SEBI) and Stock Exchange as applicable to the Company, from time to time.

During the year under review, the Company was levied a penalty of ₹ 10,000 each by BSE Limited and the National Stock Exchange of India Limited for delayed compliance in filing Related Party Transactions under Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has duly remitted the fine to the respective Stock Exchanges.

Payment of Listing Fees

Annual Listing Fees for the Financial Year 2024-25 has been paid by the Company to National Stock Exchange of India Limited and BSE Limited.

Website

All the information and disclosures required to be disseminated pursuant to the Listing Regulations and the Act are being posted at Company's corporate website at https://www.flairworld.in/investor-relation.aspx

Commodity Price risk or foreign exchange risk and hedging activities

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year: Not applicable

Also, your Company imports certain raw materials from various sources, for various products of the Company. Your Company actively monitors the foreign exchange movements and takes appropriate action to reduce the risks associated with transactions in foreign currencies.

Proceeds from preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations

The Company has not raised funds through preferential allotment or qualified institutions placement during the Financial Year 2024-25.

Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any Global Depository Receipts/ American Depository Receipts/Warrants or any convertible instruments in the past and hence, as on March 31, 2025, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular dated July 11, 2023 is not required to be given. Please refer notes to the financial statements for the details on foreign exchange risks and measures to mitigate the same.

Credit Ratings:

The Company has not issued any debt instruments in India and abroad, nor have any fixed deposit scheme hence the details relating to disclosure of credit ratings do not apply.

Corporate Governance Report (Contd.)

Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

There was no instance during the financial year 2024-25, where the Board of Directors of the Company has not accepted any recommendations, if any, of its committees.

Code for prevention of Insider-Trading Practices

In accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has in place following policies/ codes which are revised from time to time according to applicable laws.

- Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders; and
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI).

Certification

The Chairman & Managing Director and Chief Financial Officer of the Company have jointly furnished an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations and is attached to this Report as Exhibit I.

Further, the Chairman & Managing Director and Chief Financial Officer of the Company have also jointly certified and issued the quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

Disqualification Certificate from Company Secretary in Practice

A certificate from KPUB & CO., Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such Statutory Authority as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations, is attached to this Report as Exhibit - II.

Fees to Statutory Auditor and its affiliates

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to statutory auditors of the Company, during the year ended March 31, 2025, is ₹6.00 Million.

Prevention of Sexual Harassment (POSH)

The Company prohibits and has zero tolerance towards any actions relating to workplace sexual harassment and it is dealt expeditiously and fairly through prompt and thorough investigation whenever any instance in this regard is reported, the details of which are as under:

Sr. No.	Particulars	Number of Complaints
1	Filed during the financial year under review	Nil
2	Disposed of during the financial year under review	Not applicable
3	Pending as on end of the financial year	Not applicable

Compliance with Mandatory Requirements and adoption of discretionary Requirements

Your Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations and the following discretionary requirement of the Listing Regulations are adopted:

1. **Unmodified Audit Opinion**

   During the year under review, there is no audit qualification in your Company's standalone financial statements and consolidated financial statements. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

2. **Reporting of Internal Auditor**

   In accordance with the provisions of Section 138 of the Act, your Company has appointed Internal Auditor who directly reports to the Audit Committee of the Board of Directors.

Compliance Report on Corporate Governance

The Company submits on quarterly basis, a compliance report on corporate governance in the format prescribed by the Securities and Exchange Board of India, within the statutory period, from the close of the quarter with the Stock Exchanges. The said report is placed before the Board every quarter at its subsequent meeting, for its noting and comments/observations/ advice, if any.

Compliance with requirement of Corporate Governance Report

Your Company has complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report:

Corporate Governance Report (Contd.)

Reconciliation of Share Capital Audit

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories). The Audit Report is disseminated to the Stock Exchanges on quarterly basis and is also available on our website at https://www.flairworld.in/investor-relation.aspx.

Designated e-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) of the SEBI Listing Regulations, the designated e-mail address for investor complaints is investors@flairpens.com. The e-mail address for grievance redressal is monitored by the Company's Compliance Officer.

Compliance Certificate from Practising Company Secretary regarding compliance of conditions of Corporate Governance

A certificate from M/s. KPUB & Co., Company Secretaries, regarding compliance of conditions of Corporate Governance forms part of this Annual Report as Exhibit - III.

Disclosure in relation to recommendation made by any Committee which was not accepted by the Board

There was no instance during the financial year 2024-25, where the Board of Directors of the Company has not accepted any recommendations, if any, of its Committees.

Code of Conduct

The Company is committed to compliance with all the applicable laws and regulations with the intent of high business ethics, honesty and integrity. The Company has adopted the 'Code of Conduct for Board and Senior Management' which is posted on the website of the Company at https://www.flairworld.in/investor-relation.aspx under the Code of Conduct. All Board members and senior management personnel have confirmed compliance to the Code of Conduct. A declaration to this effect, duly signed by the Executive Chairman & Managing Director of the Company is as under:

Annual declaration by the MD on adherence to the Code of Conduct & the Anti-Bribery and Corruption Policy

I confirm that Flair Writing Industries Limited has adopted the Flair Code of Conduct and the Anti- Bribery and Corruption Policy and the same is available on the Company's website at https://www.flairworld.in/investor-relation.aspx.

I also confirm that, all the Directors and the Senior Management Personnel of Flair Writing Industries Limited have affirmed compliance to the Flair Code of Conduct for Board Members, Key Managerial Personnel & Senior Management, as applicable to them for the Financial Year ended March 31, 2025.

Vimalchand Jugraj Rathod
Managing Director
DIN: 00123007

Date: July 25, 2025
Place: Mumbai

EXHIBIT - I

CHAIRMAN/ MANAGING DIRECTOR/CFO CERTIFICATION

To,
The Board of Directors
Flair Writing Industries Limited
Flair House, Plot No. A/64,
Cross Road - A, Marol Ind. Area, MIDC,
Andheri (East), Mumbai – 400093.

Re: Financial Statements for the financial year 2024 –25 - Certification by Chairman, MD and CFO

We, the undersigned, our respective capacities as Chairman, Managing Director and Chief Financial Officer (CFO) of Flair Writing Industries Limited (“the Company”), to the best of our knowledge and belief hereby certify as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that:

We have reviewed the financial statements and cash flow statement for the year ended March 31, 2025 and we certify that: -

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2025 which are fraudulent, illegal or violate the Company’s Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls, for financial reporting, we have evaluated the effectiveness of the internal control systems of the company pertaining the financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that:
   (a) there have been no significant changes in internal control over financial reporting during the period.
   (b) there have been no significant changes in accounting policies during the period.
   (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company’s internal control systems over financial reporting.

For Flair Writing Industries Limited

Khubilal Jugraj Rathod
(Chairman)

Vimalchand Jugraj Rathod
(Managing Director)

Alpesh Ambalal Porwal
(Chief Financial Officer)

Place: Mumbai
Date: July 25, 2025

EXHIBIT - II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Flair Writing Industries Limited
Flair House, Plot No. A/64,
Cross Road - A, Marol Ind. Area, MIDC,
Andheri (East), Mumbai – 400093.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Flair Writing Industries Limited having CIN: L51100MH2016PLC284727 and having registered office at Flair House, Plot No. A/64, Cross Road - A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093. , Maharashtra, India, 400067 (here in after referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status] at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of director	DIN	Date of Appointment
1	Khubilal Jugraj Rathod	00122867	12/08/2016
2	Vimalchand Jugraj Rathod	00123007	12/08/2016
3	Rajesh Khubilal Rathod	00122907	12/08/2016
4	Mohit Khubilal Rathod	00122951	12/08/2016
5	Sumit Rathod	02987687	12/08/2016
6	Punit Saxena	01057161	18/03/2023
7	Manoj Vinod Lalwani	10077949	18/03/2023
8	Sheetal Bhanot Shetty	10087870	24/03/2023
9	Rajneesh Bhandari	00094089	04/05/2022
10	Deven Bipin Shah	00604010	27/05/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KPUB & CO.,**
Company Secretaries
Firm Registration No: P2015MH069000

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
Peer review Certificate No: 1864/2022
Mumbai July 14, 2025
ICSI UDIN: A039702G000770861

EXHIBIT - III

CERTIFICATE OF CORPORATE GOVERNANCE

(Pursuant to regulations and Schedule V Para C of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
FLAIR WRITING INDUSTRIES LIMITED
Flair House, Plot No. A/64, Cross Road - A,
Marol Ind. Area, MIDC, Andheri (East),
Mumbai - 400093, Maharashtra, India

1. We have examined the compliance conditions of Corporate Governance followed by Flair Writing Industries Limited (herein after referred as "Company") for the Financial Year ended March 31, 2025 as prescribed under Regulations 17 to 27, clauses(b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended 31 March 2025.

2. Compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of the Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance stipulated in the above-mentioned Listing Agreement/SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as applicable during the year ended March 31, 2025 Subject to the following:

4. As per Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the listed entity shall submit to the stock exchanges disclosures of related party transactions every six months on the date of publication of its standalone and consolidated financial results. However, Disclosure of related party transactions of the Company for the six months period ended 31st March, 2024, was filed 2 days after the date of publication of its standalone and consolidated financial results for the year ended March 31, 2024 on the Stock Exchanges.

5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KPUB & CO.,**
Company Secretaries
Firm Registration No: P2015MH069000

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
Peer review Certificate No: 18642022
Mumbai 11th July 2025
ICSI UDIN: A039702G000763029

Standalone Financial Statements

Independent Auditor's Report

To the Members of Flair Writing Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Flair Writing Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year ended on that date, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total comprehensive income, cash flows and its changes in equity for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition (Refer note 2.8 of the Standalone Financial Statements)**	
	Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations, substantive testing for cut-offs and analytical review procedures.
2	**Recoverability of Indirect tax and Insurance Claim receivables (Refer note 6 of the Standalone Financial Statements)**	
	As at March 31, 2025, non-current assets in respect of Indirect tax receivables include VAT recoverable amounting to ₹ 43.72 lakhs which are subject to pending assessment and in respect of Insurance Claim Receivable amounting to ₹ 161.51 lakhs which is pending adjudication.	The Company has taken advice of the expert(s) with respect to the respective claim to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Financial Statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatement in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those book;

   c) The Standalone Balance sheet, the Standalone Statement of Profit & Loss (including other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act;

   e) On the basis of the written representation received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a Director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"**;

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

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

      (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. [Refer Note 39 to Standalone Financial Statements]

      (ii) The Company did not have any long-term contracts, including derivative contracts, which could result in any material foreseeable losses.

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      (iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 34 in the Standalone Financial Statement, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person(s) or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 34 in the

Standalone Financial Statement, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person(s) or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) As stated in Note 43 to the Standalone Financial Statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

(vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software system. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No.104202W)

Dhiren K. Rathore
(Partner)
M. No: 115126
UDIN: 25115126BMOXXV4116

Place: Mumbai
Date: May 22, 2025

Annexure – "A" to the Independent Auditors' Report

of even date on the Standalone Financial Statements of Flair Writing Industries Limited

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(ii) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a phased program for physical verification of the Property, Plant and Equipment and right-of-use assets for all locations once every three years which, in our opinion, the frequency of verification is reasonable considering the size of the company and nature of its Property, Plant and Equipment and right-of-use assets. Physical verification of the assets has been carried out by the management during the year pursuant to the programme in that respect and no material discrepancies were noticed on such verification.

c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deed of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. In respect of its inventories:

a) The inventories, except for Goods-in-transit and stock lying with third parties, have been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit, subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

b) As disclosed in Note 13 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets and movable Property, Plant and Equipment. In our opinion, the quarterly statements filed by the company with such banks are not in agreement with the books of account of the Company and the details are as follows:

Quarter ended on	Amount as per books of accounts (₹ In lakhs)	Amount as reported in the statements (₹ In lakhs)	Difference (₹ In lakhs)	Reason for discrepancies
March 31, 2025	38,903.88	39,022.87	(118.99)	The Quarterly statement submitted with Banks were prepared and filed before the completion of all financial statement closure which led to the above differences between the books of accounts and quarterly statement submitted with Banks based on provisional books of account.
December 31, 2024	38,952.29	38,901.05	51.24	
September 30, 2024	36,614.52	36,382.35	232.17	
June 30, 2024	34,213.47	34,148.11	65.35	

iii. During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(a) During the year the Company has provided loans, advances in the nature of loans, provided guarantee and security to companies as follows:

Particulars	Loans (₹ In lakhs)
Aggregate amount granted/ provided during the year	
- Subsidiaries	14,719.30
- Others (Loan to Employees)	70.85
Balance outstanding as at balance sheet date in respect of above case	
- Subsidiaries	22,435.54
- Others (Loan to Employees)	36.79

(b) During the year the investments made and the terms and conditions of the grant of all loans to companies are not prejudicial to the Company's interest.

(c) The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment of principal amounts or receipts of interest are regular as per stipulation.

(d) There are no amounts of loans granted to companies which are overdue for more than ninety days.

(e) There were no loans which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) The Company has granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.

Particulars	The aggregate amount during the year (₹ In lakhs)
Aggregate amount of loans repayable on demand	
Loans given to Wholly Owned Subsidiary	14,719.30
Percentage of loans to the total loans	99.52%

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Thus reporting under clause (vi) of paragraph 3 of the order is not applicable to the Company.

vii. (a) The Company is regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it with appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Nature of the Statute	Nature of dues	Amount (In ₹)	Period to which Relates	Forum where dispute is pending
Central Sales Tax Act,1956 (FWIL-DDN)	Central Sales Tax	56,047	2012-13	Joint Commissioner (Appeals)- I, Commercial Tax, Dehradun
Central Sales Tax Act,1956 (DDN I)	Central Sales Tax	3,11,891	2012-13	Joint Commissioner (Appeals)- I, Commercial Tax, Dehradun
Central Sales Tax Act,1956 (DDN I)	Central Sales Tax	5,54,652	2013-14	Joint Commissioner (Appeals)- I, State Tax, Dehradun
Central Sales Tax Act,1956 (DDN I)	Central Sales Tax	5,07,580	2014-15	Joint Commissioner (Appeals)- I, State Tax, Dehradun

Nature of the Statute	Nature of dues	Amount (In ₹)	Period to which Relates	Forum where dispute is pending
Central Sales Tax Act,1956 (DDN I)	Central Sales Tax	10,65,361	2015-16	Joint Commissioner (Appeals)- I, State Tax, Dehradun
Central Sales Tax Act,1956 (DDN I)	Central Sales Tax	12,80,178	2016-17	Joint Commissioner (Appeals)- I, State Tax, Dehradun
Central Sales Tax Act,1956 (FWIL-DDN)	Central Sales Tax	73,629	2016-17	Joint Commissioner (Appeals)- I, State Tax, Dehradun
Central Sales Tax Act,1956 (DDN I)	Central Sales Tax	30,15,298	2017-18	Joint Commissioner (Appeals)- I, State Tax, Dehradun
Office of the Commissioner of CGST, Ahmedabad-South (FDPL)	Goods and Service Tax	2,58,42,080	July 2017 to March 2020	Additional Commissioner, (Common Adjudicating Authority), CGST & Excise, Ahmedabad South, Ahmedabad
Office of the Commissioner of CGST, Ahmedabad-South	Goods and Service Tax	2,61,47,749	July 2017 to September 2020	Additional Commissioner, (Common Adjudicating Authority), CGST & Excise, Ahmedabad South, Ahmedabad
Office of Additional Commissioner, Dadra & Nagar Haveli & Daman & Diu	Goods and Service Tax	3,27,58,966	July 2017 to September 2020	Office of Additional Commissioner, Dadra & Nagar Haveli & Daman & Diu
Office of Superintendent, West 701 Kandivali ,Mumbai South West, Maharashtra	Goods and Service Tax	29,30,542	July 2017 to March 18	Office of Superintendent, West_701, Kandivali, Mumbai, Maharashtra
Office of Deputy Commissioner State Tax-Dehradun	Goods and Service Tax	4,57,445	2017-18	Office of Deputy Commissioner State Tax-Dehradun
Office of Deputy Commissioner State Tax-Dehradun	Goods and Service Tax	18,82,632	2018-19	Office of Deputy Commissioner State Tax-Dehradun
Office of Deputy Commissioner State Tax-Dehradun	Goods and Service Tax	27,02,863	2018-19	Office of Deputy Commissioner State Tax-Dehradun
Office of Superintendent Central GST & Central Excise, Daman	Goods and Service Tax	5,81,407	2019-20	Office of Superintendent Central GST & Central Excise, Daman
Office of Assistant Commissioner, Division II,Thane, Mumbai, CBIC, Maharashtra	Goods and Service Tax	30,09,419	2019-20	Office of Assistant Commissioner, Division II,Thane, Mumbai, CBIC, Maharashtra
Office of Deputy Commissioner State Tax-Dehradun	Goods and Service Tax	16,54,900	2020-21	Office of Deputy Commissioner State Tax-Dehradun
Office of Superintendent, West 701 Kandivali ,Mumbai South West, Maharashtra	Goods and Service Tax	54,26,015	2020-21	Office of Superintendent, West 701 Kandivali, Mumbai South West, Maharashtra
Income tax act 1961(FIC)	Income Tax	52,420	2010-11	Jurisdiction Assessing officer
Income tax act 1961(NPPI)	Income Tax	94,300	2011-12	Jurisdiction Assessing officer
Income tax act 1961(NPPI)	Income Tax	12,940	2015-16	Jurisdiction Assessing officer
Income tax act 1961(FPSI)	Income Tax	6,09,190	2015-16	Jurisdiction Assessing officer
Income tax act 1961(NPPUK)	Income Tax	1500	2016-17	Jurisdiction Assessing officer
Income tax act 1961(FWI)	Income Tax	10,67,430	2016-17	Jurisdiction Assessing officer
Income tax act 1961(FIIPL)	Income Tax	1,33,730	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FPPIPL)	Income Tax	1,22,630	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FPPUKPL)	Income Tax	38,930	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FPSIPL)	Income Tax	20,32,370	2017-18	Jurisdiction Assessing officer
Income tax act 1961(NPPUK)	Income Tax	5,22,540	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FPSI)	Income Tax	3,52,030	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FWI)	Income Tax	1,65,16,660	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FWI)	Income Tax	2,77,930	2017-18	Jurisdiction Assessing officer

Nature of the Statute	Nature of dues	Amount (In ₹)	Period to which Relates	Forum where dispute is pending
Income tax act 1961(NPPI)	Income Tax	1,09,470	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FIC)	Income Tax	30,230	2017-18	Jurisdiction Assessing officer
Income tax act 1961(FWIL)	Income Tax	2,04,07,190	2018-19	Commissioner of Income-Tax (Appeals)
Income tax act 1961(FWIL)	Income Tax	2,77,930	2020-21	Jurisdiction Assessing officer
Income tax act 1961(FWIL)	Income Tax	420	2024-25	Jurisdiction Assessing officer

viii. The Company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause (viii) of paragraph 3 of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon to any banks and related parties during the year.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) The Company has utilised the money obtained by way of term loan during the year for the purposes for which they were obtained.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short term basis have been used for long term purposes by the Company.

(e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any loan from any entity or any person on account of or to meet the obligation of its subsidiaries, associates or joint ventures as defined under Companies Act, 2013. Accordingly, reporting under clause (ix)(e) of paragraph 3 of the Order is not applicable to the Company.

(f) The Company has not raised any funds during the year on the pledge of securities held in its subsidiaries, joint ventures or associates Companies. Accordingly, reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable to the Company.

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanation given to us, and on the basis of examination of the records of the Company, the Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditor) Rules, 2014 with Central Government.

(c) Based on our audit procedures performed and according to the information and explanations given to us, no whistle blower complaints were received by the company during the year. Accordingly, reporting under clause (xi) (c) of paragraph 3 of the Order is not applicable to the Company.

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Accordingly, reporting under clause (xii) of paragraph 3 of the Order is not applicable to the company.

xiii. Transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the Note 34 of Standalone Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company for the period under audit issued till date in determining the nature, timing and extent of our audit procedures.

xv. The Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence requirement to report on clause (xv) of paragraph 3 of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, reporting under clause (xvi)(a)(b) and (c) of paragraph 3 of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of statutory auditor during the year. Accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in Note 40 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility ("CSR") that are required to be transferred to a fund specified in Schedule VII of the Company Act 2013, in compliance with second proviso to sub section 5 of section 135 of the said Act.

(b) There are no unspent amounts towards CSR in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the said Act. Hence reporting under clause (xx) (a) and (xx) (b) of paragraph 3 of the Order is not applicable to the Company.

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No.104202W)

Dhiren K. Rathore
(Partner)
M. No: 115126
UDIN: 25115126BMOXXV4116

Place: Mumbai
Date: May 22, 2025

Annexure – "B" to the Independent Auditor's Report

of even date on the Standalone Financial Statements of Flair Writing Industries Limited

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of **Flair Writing Industries Limited** ("the Company") as of **March 31, 2025**, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's management and Board of Director's are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company and;

3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanation given to us, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No.104202W)

Dhiren K. Rathore
(Partner)
M. No: 115126
UDIN: 25115126BMOXXV4116

Place: Mumbai
Date: May 22, 2025

Standalone Balance Sheet

as at March 31, 2025

(₹ in lakhs)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	1	27,218.11	22,955.35
b) Capital Work in Progress	1	1,200.37	2,010.16
c) Intangible Assets	1	139.06	170.46
d) Right-of-Use Assets	1	2,061.82	1,925.56
e) Financial Assets			
i) Investments	2	362.00	361.00
ii) Loans	3	22,437.01	12,835.70
iii) Other Financial Assets	4	667.02	601.24
f) Current Tax Assets (Net)	5	8.22	8.22
g) Other Non-Current Assets	6	1,239.74	1,350.01
Total Non-Current Assets		**55,333.35**	**42,217.69**
Current Assets			
a) Inventories	7	22,090.68	18,690.54
b) Financial Assets			
i) Investments	2	3,102.70	-
ii) Trade Receivables	8	21,559.64	19,443.35
iii) Cash and Cash Equivalents	9	5,375.85	5,194.58
iv) Bank Balance other than (iii) above	10	5,583.53	18,217.35
v) Loans	3	35.32	500.45
vi) Other Financial Assets	4	582.74	829.70
c) Other Current Assets	6	1,927.94	2,241.56
Total Current Assets		**60,258.41**	**65,117.54**
Total Assets		**1,15,591.76**	**1,07,335.23**
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	11	5,269.77	5,269.77
b) Other Equity	12	94,855.71	83,647.30
Total Equity		**1,00,125.47**	**88,917.07**
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	1,584.32	2,849.99
ii) Lease Liabilities	14	1,696.17	1,619.55
iii Other Financial Liabilities	15	7.34	46.56
b) Provisions	16	1,061.52	868.59
c) Deferred Tax Liabilities (Net)	17	860.82	855.62
d) Other Non-Current Liabilities	18	13.82	19.49
Total Non-Current Liabilities		**5,223.99**	**6,259.80**
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	72.75	715.67
ii) Lease Liabilities	14	523.74	437.58
iii) Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises;	19	1,716.83	1,531.24
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	19	2,849.57	4,261.39
iv) Other Financial Liabilities	15	2,390.92	3,269.94
b) Provisions	16	1,073.54	967.15
c) Other Current Liabilities	18	1,274.25	886.67
d) Current Tax Liabilities (Net)	20	340.70	88.72
Total Current Liabilities		**10,242.29**	**12,158.36**
Total Liabilities		**15,466.28**	**18,418.16**
Total Equity and Liabilities		**1,15,591.76**	**1,07,335.23**

The material accounting policies and accompanying notes are an integral part of the Standalone Financial Statements (Note 1 to 45)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Standalone Statement of Profit & Loss

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Particulars		Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
	INCOME				
1	Revenue from Operations		21	94,931.44	91,866.27
2	Other Income		22	3,501.06	2,002.39
	Total Income	**(A)**		**98,432.50**	**93,868.66**
3	**EXPENSES**				
	(a) Cost of Material Consumed		23	49,283.58	47,074.85
	(b) Purchases of Stock-in-Trade		24	899.63	717.39
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		25	(1,421.23)	(1,239.03)
	(d) Employee Benefits Expense		26	15,330.15	13,632.88
	(e) Finance Costs		27	383.63	767.09
	(f) Depreciation and Amortisation Expense		1	3,271.14	2,933.53
	(g) Other Expenses		28	15,599.58	14,136.66
	Total Expenses	**(B)**		**83,346.48**	**78,023.38**
4	**Profit Before Tax**	**(C=A-B)**		**15,086.02**	**15,845.28**
5	**Tax Expense**				
	(a) Current Tax			3,871.81	4,061.13
	(b) Deferred Tax Expenses/(Credit)		17	6.16	(32.73)
	(c) Short/(Excess) Provision of tax relating to earlier years			(3.22)	0.42
	Total Tax Expenses	**(D)**		**3,874.75**	**4,028.82**
6	**Profit for the year**	**(E=C-D)**		**11,211.27**	**11,816.46**
7	**Other Comprehensive Income**				
	Items that will not be reclassified to Statement Of Profit Or Loss				
	(a) Remeasurement (losses) on Defined Benefit Plan			(3.83)	(179.00)
	(b) Income Tax effect on the above			0.96	45.05
	Total Other Comprehensive Income for the year (Net of Ta)	**(F)**		**(2.87)**	**(133.95)**
8	**Total Comprehensive Income for the year**	**(G=E+F)**		**11,208.41**	**11,682.50**
9	**Earnings Per Equity Share of face value of ₹ 5/- each**		29		
	Basic(In ₹)			10.64	12.11
	Diluted (In ₹)			10.64	12.11

The material accounting policies and accompanying notes are an integral part of the Standalone Financial Statements (Note 1 to 45)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Statement of Changes in Equity

a. Equity share capital:

(₹ in lakhs)

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
5,269.77	-	-	-	5,269.77

(₹ in lakhs)

Balance as at April 01, 2023	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2023	Changes in equity share capital during the year#	Balance as at March 31, 2024
4,669.44	-	-	600.33	5,269.77

#The Company has issued 24,01,315 Equity Shares of face value ₹ 5 each at an issue price of ₹ 304 per equity share to Volrado Venture Partners Fund III – Beta pursuant to the Pre Initial public offer (Pre-IPO) placement aggregating to ₹ 7300 lakhs on November 10, 2023. Subsequently, The Company has completed an Initial Public Offer("IPO") by way of fresh issue of 96,05,263 equity shares of face value ₹ 5 each at an issue price of ₹ 304 per equity shares aggregating to ₹ 29200 lakhs and an Offer for Sale of 99,01,315 equity Shares of face value ₹ 5 each for at an issue price of ₹ 304 per equity share aggregating to ₹ 30100 lakhs. The Equity shares of the Company were listed on National stock Exchange of India Limited (NSE) and BSE Limited (BSE) (hereinafter collectively referred as "Stock Exchanges") on December 01, 2023.

b. Other equity

(₹ in lakhs)

Particulars	Reserve & Surplus		Other Reserve	Total
	Retained Earning	Securities Premium	Other Comprehensive Income	
Balance as at April 1, 2023	**38,231.97**	**-**	**(303.59)**	**37,928.38**
Add : Profit for the year	11,816.46	-	-	11,816.46
Add : Issue of Equity Share	-	35,899.67	-	35,899.67
Less : Issue Expenses	-	(1,863.25)	-	(1,863.25)
Less : Other Comprehensive Income	-	-	(133.95)	(133.95)
Balance as at March 31, 2024	**50,048.42**	**34,036.42**	**(437.54)**	**83,647.30**
Add : Profit for the period	11,211.27	-	-	11,211.27
Add : Issue of Equity Share	-	-	-	-
Less : Issue Expenses	-	-	-	-
Less : Other Comprehensive Income	-	-	(2.87)	(2.87)
Balance as at March 31, 2025	**61,259.70**	**34,036.42**	**(440.41)**	**94,855.71**

The material accounting policies and accompanying notes are an integral part of the Standalone Financial Statements (Note 1 to 45)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Dhiren K. Rathore
(Partner)
M.No. 115126

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Place: Mumbai
Date: May 22, 2025

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Statement of Cash Flows

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Particulars		As at March 31, 2025	As at March 31, 2024
A	**Cash Flow From Operating Activities**			
	Profit before tax		15,086.02	15,845.28
	Adjustments for:			
	Depreciation and amortisation Expenses		3,271.14	2,933.53
	Finance Costs		383.63	767.09
	Allowances for Expected Credit Loss on Trade Receivables		6.82	-
	Premium/Discount on Forward Contract		3.02	(19.16)
	Rent Income		(137.85)	(132.60)
	Foreign Exchange Flactuation		(30.04)	(68.00)
	Sundry Balance written back		(2.10)	(4.57)
	Government Grant Income		(6.19)	(7.01)
	Interest Income		(2,726.25)	(1,165.66)
	Gain on Termination of Lease contract		(52.72)	-
	Gain on Sale of Mutual Funds		(14.17)	(1.65)
	Loss of Goods Destroyed By Cyclone/In Transit		17.97	-
	(Profit)/Loss on Sales of Property, Plant and Equipment		(3.38)	(1.14)
	Operating Profit before change in working capital		15,795.90	18,146.09
	Movements in working capital:			
	(Increase) in Inventories		(3,418.11)	(41.61)
	(Increase) in Trade Receivables		(2,093.07)	(3,201.82)
	Decrease/(Increase) in Loans		8.07	(10.93)
	Decrease/(Increase) in Financial and Other Assets		605.07	(2,013.57)
	(Decrease)/Increase in Trade Payables		(1,224.13)	506.08
	Increase in Provisions		299.32	464.68
	(Decrease)/Increase in Financial and Other Liabilities		(536.98)	1,335.08
	Cash Generated From /(Used In) Operations		9,436.06	15,184.00
	Income Taxes Paid (Net)		(3,616.60)	(4,600.25)
	Net Cash Generated From / (Used In) Operating Activities	**(A)**	**5,819.46**	**10,583.76**
B	**Cash Flows From Investing Activities**			
	Investment in subsidiary		(1.00)	-
	Rent Income		137.85	132.60
	Purchase of Property, Plant and Equipment and Intangible Asset		(6,150.47)	(7,598.81)
	Sales of Property, Plant and Equipment		7.01	56.61
	Investment in units of Mutual Funds		(6,425.00)	(1,020.00)
	Redemption of Mutual Funds Investment		3,336.47	1,021.65
	Loan given to subsidiaries		(9,144.25)	(8,348.81)
	Decrease/(Increase) In Bank Deposits And Other Bank Balances*		12,633.82	(18,216.85)
	Interest received		2,726.25	1,165.66
	Net Cash Generated From / (Used In) Investing Activities	**(B)**	**(2,879.31)**	**(32,807.96)**

Statement of Cash Flows (Contd..)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Particulars		As at March 31, 2025	As at March 31, 2024
C	**Cash Flow From Financing Activities**			
	Proceeds from issue of Equity Share		-	36,500.00
	Share Issue Expenses		-	(1,863.25)
	Repayment of Borrowings		(1,908.59)	(6,122.08)
	Finance Costs Paid		(199.31)	(564.00)
	Repayment of Principal Portion of Lease Liabilities		(650.97)	(594.44)
	Net Cash From / (Used In) Financing Activities	**(C)**	**(2,758.87)**	**27,356.23**
D	**Net Increase/(Decrease) in Cash and Cash Equivalents**	**(A+B+C)**	**181.27**	**5,132.03**
	Cash and Cash Equivalents at the Beginning of the Year		5,194.58	62.55
	Cash And Cash Equivalents At The End Of The Year		5,375.85	5,194.58
	Components of Cash and Cash Equivalents			
	Cash on Hand		10.14	9.45
	Balances with scheduled banks			
	- in Cash Credit Accounts		1,350.61	178.18
	- in Current Accounts		1.14	0.76
	- in EEFC Account		9.40	0.60
	- Bank Deposits (Maturity less than 3 months)		4,000.00	5,000.00
	LC Margin Money		4.57	5.58
	Total Cash and Cash Equivalents		**5,375.85**	**5,194.58**

*Other bank balances includes an amount of ₹ 94.21 lakhs as at March 31, 2025 (Previous Year March 31, 2024:₹ 1873.35 lakhs) pertains to amount held in Public Issue Account towards issue expenses. This balance is restricted bank balance which is not available with the Company for its normal operating, investing and financing activities.

Note:

1) The cash flow statement has been prepared under the "Indirect Method" as set out Indian accounting Standard (Ind AS-7) statement of cash flow.

2) The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

The material accounting policies and accompanying notes are an integral part of the Standalone Financial Statements (Note 1 to 45)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Notes to the Standalone Financial Statements
for the year ended March 31, 2025

1. CORPORATE INFORMATION

Flair Writing Industries Limited ("the Company") (CIN: L51100MH2016PLC284727) is a public limited Company Incorporated and domiciled in India and having its registered office at Flair House, Plot No. A/64, Cross Road-A, Marol Ind. Area, MIDC, Andheri (East), Mumbai, Maharashtra, India - 400 093. The Company has it's primary listing on the BSE Ltd and National Stock Exchange of India Limited.

The Company has Seven (7) manufacturing units. The Company is engaged in manufacturing of writing instruments, stationeries and other allied(s).

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

a) Statement of Compliance:

The Company prepares its Standalone Financial Statements to comply with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III of Companies Act, 2013 (Ind AS compliant Schedule III). These Standalone financial statements include Balance Sheet as at 31 March 2025, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the year ended 31 March 2025, and a summary of material accounting policy information and other explanatory information (together hereinafter referred to as "Financial Statements").

b) Basis of Measurement:

The financial statements for the year ended 31 March 2025 have been prepared on accrual basis following historical cost convention, except for the following financial assets and liabilities which have been measured at fair value at the end of each reporting period in accordance with IND AS.

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value

Accounting policies and methods of computation followed in the financial statements are same as compared with the annual financial statements for the year ended 31 March 2024.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

c) Classification of Current / Non-Current Assets and Liabilities:

The Company presents assets and liabilities in the Balance sheet based on current / non-current classification. It has been classified as current or non-current as per the Company's normal operating cycle, as per para 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Operating Cycle:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company. All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest lakhs up to two decimal places, as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

2.2. Use of Estimates, Judgements and Assumptions

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors (including expectations of future events) that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its financial statements:

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful life of Property Plant and Equipment and Intangible Assets:**

  Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

- **Recoverability of trade receivables**

  Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

- **Provisions**

  Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgements to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Application of Discount rates**

  Estimates of rates of discounting are done for measurement of fair values of certain financial assets and liabilities, which are based on prevalent bank interest rates and the same are subject to change.

- **Current versus Non-Current Classification**

  All the assets and liabilities have been classified as Current or Non Current as per the Company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

- **Impairment of Non-Financial Assets**

  The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-generating-unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds it recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount.

  The Company estimates the value-in-use of the Cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset/ CGU.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

- **Impairment of Financial Assets**

  The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Provision for income tax and deferred tax assets**

  The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

2.3. PROPERTY,PLANT AND EQUIPMENT (PPE)

i. Tangible Assets

- **Freehold Land**

  Freehold Land is carried at historical cost.

- **Property, Plant and Equipment:**

  Property, plant and equipment are stated at historical cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

  Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

ii. Intangible assets

Intangible assets that are acquired are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and impairment loss if any. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

iii. Capital Work-in-Progress:

Capital Work-in-Progress includes expenditure during construction period incurred on projects are treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

iv. Depreciation/Amortisation:

Depreciation on Property, Plant and Equipment is provided using straight-line method. Depreciation is provided based on useful life of the assets as prescribed in accordance with the Part C of Schedule II of Companies Act, 2013.

The useful life of major assets is as under:

Assets	Useful life (in years)
Freehold Building	30
Furniture & Fixtures	10
Electrical Installation	10
Office Equipments	5
Plant & Machinery	15
Factory Equipments	5
Vehicles	8
Two Wheeler	10
Mould	8
Computer Equipments	3

Intangible assets are carried at cost and amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed. Amortisation of intangible assets is calculated over the managements' estimated useful life as mentioned below:

Assets	Amortised (in years)
Trademarks	10
Others	10

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Depreciation on addition to assets or on sale/ discardment of assets, is calculated pro rata from the date of such addition or upto the date of sale/ discardment, as the case may be.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit and Loss when the assets is derecognized.

v. Impairment of Non-Financial Assets- Property, Plant and Equipment and Intangible Assets :

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.4. Finance Costs

Finance costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.5. Foreign Currency Transactions and Translation

The Company's financial statements are presented in INR, which is the company's functional currency.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss and costs that are directly attributable to the acquisition assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

2.6. Investments in Subsidiaries

The Company considers an investee company as a subsidiary company when it controls the investee company. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in the Statement of Profit and Loss.

2.7. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

I. In the principal market for the asset or liability, or

II. In the absence of a principal market, in the most advantageous market for the asset or liability.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.8. Revenue from Operations

The Company derives revenues from sale of manufactured goods, traded goods and related services.

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract

Export Entitlements

Export entitlements such as duty drawback, Credit under MEIS, RODTEP etc are recognised as income when the right to receive the same as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate realization.

Contract balances and Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.9. Tax Expenses

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Current tax assets and liabilities are offset only if,

- the Company has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

2.10. Inventories

Inventories are stated at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the First In-First Out (FIFO) method.

Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.11. Leases

As a Lessee:

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

I. the contact involves the use of an identified asset

II. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

III. the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Lease payments included in the measurement of the lease liability comprise:

I. fixed lease payments (including in-substance fixed payments), less any lease incentives;

II. variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

III. the amount expected to be payable by the lessee under residual value guarantees;

IV. the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

V. payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

I. the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

II. the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

III. a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the Balance Sheet. The right-of-use assets are initially recognised at cost which comprises of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

2.12. Provisions, Contingent Liabilities, Contingent Assets and Commitments

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the Financial Statements where an inflow of economic benefit is probable.

2.13. Employee Benefits Expense

Employee benefits include bonus, compensated absences, provident fund, employee state insurance scheme and gratuity fund.

a) Short-term Employee Benefits

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

employee benefits and are recognised as an expense in the Statement of Profit and Loss as the related service is provided.

Certain employees of the Company are entitled to compensated absences based on statutory provisions. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post-Employment Benefits

I. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which a Company pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

II. Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gain losses and past service costs. The defined benefit/obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

2.14. Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

(i) Financial Assets

a. Initial Recognition and Measurement

All Financial Assets are initially recognized at Fair Value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities, which are not at Fair Value Through Profit or Loss (FVTPL), are adjusted to the Fair Value on initial recognition. Purchases and Sales of Financial Assets are recognized using trade date accounting.

b. Subsequent Measurement

1) Financial Assets carried at Amortised Cost

A financial Asset is measured at amortised cost if it is held within a business model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2) Financial Assets at Fair value Through Other Comprehensive Income (FVOCI)

A Financial Asset is measured at FVOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

3) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories is measured at FVTPL.

c. Loans, Deposits and Receivable

Loans and receivable are non-derivative financial assets with fixed or determinable

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

payment that are not quoted in the active market. Such assets are carried at amortised cost using the effective interest method, if the time value of money is insignificant.

d. **Investment in Subsidiaries**

The Company accounts for its investments in Subsidiaries at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

e. **Investment in Mutual Fund**

Mutual Funds are measured at fair value through profit and loss (FVTPL), with value changes recognised in Statement of Profit and Loss. However, profit and Loss on mutual fund is recognised in the Statement of Profit and loss at time of redemptions.

f. **Impairment of Financial Assets**

In accordance with Ind-AS 109, The Company uses "**Expected Credit Losses (ECL)**" model, for evaluating impairment of Financial Asset other than those measured at Fair Value Through Profit and Loss (FVTPL)

Expected credit losses are measured through a loss allowance at an amount equal to

- The 12- months expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Credit Loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable evidence including that which is forward-looking.

Trade Receivables

Customer Credit Risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis based on historical data. The Company is receiving payments from customers within due dates and therefore the Company has no significant Credit Risk related to these parties. The Company evaluates the concentration of risk with respect to trade receivables as low.

For other assets, the company uses 12 month ECL to provide for impairment loss where there is significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Other Financial Assets mainly consists of Security Deposit, other deposits, Interest accrued on Fixed Deposits, other receivables and Advances measured at amortized cost.

Following is the policy for specific financial assets: -

Type of financial asset	Policy
Security Deposit	Security deposit is in the nature of statutory deposits like electricity, telephone deposits. Since they are kept with Government bodies, there is low risk.
Grant receivable	Grant pertains to Government receivables. Hence there is no major risk of bad debts.
Loans to employees	The Company avails guarantee for loan provided to employees. In case of default in repayment of loan, the same is recovered from the salary of the guarantor.

(ii) Financial Liabilities

a. **Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees or recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

The Company's Financial Liabilities include trade and other payables, loans and borrowings including bank overdrafts and other payables, financial guarantee contracts and derivative financial instruments.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

b. **Subsequent Measurement**

Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. **De-recognition of Financial Instruments**

The company de-recognizes a Financial Asset when the contractual rights to the cash flows of the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. A Financial Liability (or part of Financial Liability) is de-recognized from the company's Balance Sheet when obligation specified in the contract is discharged or cancelled or expires.

d. **Offsetting of Financial Instruments**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(iii) Derivative Financial Instruments and Hedge Accounting

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss. Foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealized net gain or loss is recognized in the statement of profit and loss.

2.15. Cash and Cash Equivalents

Cash and Cash equivalents include Cash and Cheque in hand, Bank balances, Demand Deposits with Banks and other Short-Term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

2.16. Cash Flow Statement

Cash flows are reported using the Indirect Method where by the Profit Before Tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

2.17. Earnings Per Share

Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted Earnings Per Share

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

2.18. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

2.19. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an Asset, it is recognized as Income over the expected useful life of the Asset. In case a non-monetary asset is given free of cost, it is recognized at a Fair Value. When Loan(s) or similar assistance are provided by the Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is reduced from interest. The Loan or assistance is initially recognized and measured at Fair Value and the Government Grant is measured as the difference between the initial carrying value of the Loan and the proceeds received.

2.20 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2.21 The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 1 : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Land – Freehold	Buildings	Plant and Machinery	Office Equipment	Factory Equipments	Computer Equipment	Furniture & Fixtures	Mould	Electrical Installation	Two Wheeler	Vehicles	Total
I. Gross Block												
Balance as on April 01, 2023	**2,388.34**	**4,591.44**	**13,754.24**	**153.67**	**603.20**	**247.88**	**663.05**	**6,640.71**	**793.52**	**19.57**	**1,143.25**	**30,998.87**
Additions	688.67	12.97	3,420.28	30.66	116.32	49.54	100.95	1,239.63	42.06	-	26.28	5,727.36
Deductions/adjustments	-	-	98.99	1.50	-	-	-	15.58	-	-	36.04	152.12
Balance as on March 31,2024	**3,077.01**	**4,604.41**	**17,075.53**	**182.83**	**719.52**	**297.42**	**764.00**	**7,864.75**	**835.58**	**19.57**	**1,133.49**	**36,574.11**
Additions	-	2,766.04	1,608.17	337.64	130.16	64.77	817.45	946.07	249.76	2.65	24.03	6,946.75
Deductions/adjustments	-	-	3.50	-	-	-	-	-	-	-	9.94	13.44
Balance as on March 31, 2025	**3,077.01**	**7,370.46**	**18,680.20**	**520.47**	**849.68**	**362.18**	**1,581.46**	**8,810.82**	**1,085.34**	**22.22**	**1,147.58**	**43,507.42**
II. Depreciation												
Balance as on April 01, 2023	**-**	**731.34**	**5,442.36**	**95.22**	**408.51**	**184.94**	**307.38**	**3,510.12**	**428.19**	**5.53**	**211.61**	**11,325.22**
Charge for the year	-	149.92	1,090.21	16.03	73.63	34.04	67.99	733.93	77.54	1.87	145.05	2,390.20
Deductions/adjustments	-	-	52.99	0.13	-	-	-	13.43	-	-	30.10	96.65
Balance as on March 31,2024	**-**	**881.26**	**6,479.58**	**111.12**	**482.14**	**218.98**	**375.37**	**4,230.63**	**505.73**	**7.40**	**326.56**	**13,618.77**
Charge for the year	-	179.00	1,209.82	42.56	69.78	43.52	95.67	816.25	80.99	1.98	140.78	2,680.35
Deductions/adjustments	-	-	1.11	-	-	-	-	-	-	-	8.70	9.80
Balance as on March 31, 2025	**-**	**1,060.26**	**7,688.29**	**153.68**	**551.92**	**262.50**	**471.03**	**5,046.88**	**586.72**	**9.38**	**458.64**	**16,289.31**
III. Net Block												
Balance as on March 31, 2025	**3,077.01**	**6,310.20**	**10,991.90**	**366.79**	**297.76**	**99.69**	**1,110.42**	**3,763.94**	**498.62**	**12.84**	**688.94**	**27,218.11**
Balance as on March 31,2024	**3,077.01**	**3,723.15**	**10,595.95**	**71.71**	**237.38**	**78.44**	**388.64**	**3,634.12**	**329.85**	**12.17**	**806.93**	**22,955.35**

Note: Movable Property, Plant and Equipment are hypothecated against cash credit facilities availed by the company amounting to ₹ 10850 lakhs and term loan.

Note 1 : Capital Work In Progress

(₹ in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital Work In Progress	1,200.37	2,010.16
Total	**1,200.37**	**2,010.16**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Ageing for CWIP as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	1,059.43	140.95	-	-	1,200.37
Project is temporarily suspended	-	-	-	-	-
TOTAL	**1,059.43**	**140.95**	**-**	**-**	**1,200.37**

Ageing for CWIP as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	1,852.78	157.38	-	-	2,010.16
Project is temporarily suspended	-	-	-	-	-
TOTAL	**1,852.78**	**157.38**	**-**	**-**	**2,010.16**

There are no projects as on each reporting date where activity had been suspended. Also, there are no projects as on the reporting years which has exceeded cost as compared to its original plan or where completion is overdue.

Note 1 : Intangible Assets

(₹ in lakhs)

Particulars	Trade Mark	Web Designing	Total
I. Gross Block			
Balance as on April 01, 2023	**470.43**	**5.86**	**476.29**
Additions	21.34	-	21.34
Deductions/adjustments	-	-	-
Balance as on March 31,2024	**491.77**	**5.86**	**497.63**
Additions	10.51	3.00	13.51
Deductions/adjustments	-	-	-
Balance as on March 31, 2025	**502.27**	**8.86**	**511.13**
II. Depreciation			
Balance as on April 01, 2023	**272.06**	**4.69**	**276.75**
Charge for the year	49.95	0.47	50.41
Deductions/adjustments	-	-	-
Balance as on March 31,2024	**322.01**	**5.16**	**327.17**
Charge for the year	44.27	0.63	44.90
Deductions/adjustments	-	-	-
Balance as on March 31, 2025	**366.28**	**5.79**	**372.07**
III. Net Block			
Balance as on March 31, 2025	**135.99**	**3.07**	**139.06**
Balance as on March 31,2024	**169.76**	**0.70**	**170.46**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 1 : Rights-of-Use Assets

(₹ in lakhs)

Particulars	Leased Assets
I. Gross Block	
Balance as on April 01, 2023	**1,401.24**
Additions	2,282.98
Deductions/adjustments	-
Balance as on March 31,2024	**3,684.23**
Additions	958.63
Deductions/adjustments	276.48
Balance as on March 31, 2025	**4,366.38**
II. Depreciation	
Balance as on April 01, 2023	**1,265.75**
Charge for the year	492.92
Deductions/adjustments	-
Balance as on March 31,2024	**1,758.67**
Charge for the year	545.89
Deductions/adjustments	-
Balance as on March 31, 2025	**2,304.56**
III. Net Block	
Balance as on March 31, 2025	**2,061.82**
Balance as on March 31,2024	**1,925.56**

Note 2 : Investments

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Qty.	Amount	Qty.	Amount
Non-Current				
Unquoted, fully paid up				
In Equity Shares of Subsidiary Companies				
Flair Cyrosil Industries Pvt Ltd of ₹ 100 each (Refer Note 34)	3,60,000	360.00	3,60,000	360.00
Flair Writing Equipments Pvt Ltd. of ₹ 10 each (Refer Note 34)	10,000	1.00	10,000	1.00
Monterosa Stationery Pvt Ltd of ₹ 10 each (Refer Note 34)	10,000	1.00	-	-
Total non-current investments	**3,80,000**	**362.00**	**3,70,000**	**361.00**
Aggregate Carrying Value of Unquoted Investments	**-**	**362.00**	**-**	**361.00**
Aggregate Carrying Value of Unquoted Investments measured at cost	**-**	**362.00**	**-**	**361.00**
Current				
Investment measured at Fair Value Through Profit and Loss (FVTPL)				
Quoted fully paid up				
Investment in Mutual Fund				
22,84,183.323 Units of Nippon India Liquid Fund-Growth Plan-Growth Option	-	3,102.70	-	-
Total current investments	**-**	**3,102.70**	**-**	**-**
Aggregate amount of Quoted Investments	**-**	**3,102.70**	**-**	**-**
Aggregate amount of Quoted Investments - Market Value	**-**	**3,114.02**	**-**	**-**
Aggregate amount of Quoted Investments measured at Amortised Cost	**-**	**3,102.70**	**-**	**-**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 3 : Loans

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non- Current		
Unsecured, Considered good		
Loans and Advances to Employees #	1.53	4.78
Subsidiary Companies	22,435.48	12,830.91
Total	**22,437.01**	**12,835.70**
Current		
Unsecured, Considered good		
Loans and Advances to Employees #	35.26	40.07
Subsidiary Companies	0.06	460.38
Total	**35.32**	**500.45**

Loans and Advances that fall under the category of 'Loans-Non-Current' are re-payable after more than 1 year. Further the said loans are carried at amortised cost.

No Loans or Advance are granted to Promoters, Directors, the related Parties except Subsidiary Companies.

(₹ in lakhs)

Type of Borrower	As at March 31, 2025		As at March 31, 2024	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and Advances in the nature of Loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and Advances in the nature of Loans
Flair Writing Equipments Pvt Ltd	13,811.63	61.46%	7,832.54	58.73%
Flair Cyrosil Industries Pvt Ltd	8,620.25	38.36%	5,458.75	40.93%
Monterosa Stationery Pvt Ltd	3.66	0.02%	-	0.00%

Note 4 : Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non- Current		
Security Deposits	341.41	294.58
Bank Deposits (Maturity more than 12 months) #	2.12	2.12
Interest Receivable	1.83	1.58
Other Deposits	321.66	302.95
Total	**667.02**	**601.24**
Current		
Security Deposits	379.65	361.63
Derivatives Financial Assets	-	0.75
Interest Receivable	196.64	467.33
Other Deposits	6.45	-
Total	**582.74**	**829.70**
# includes deposits having restrictive use on account of:		
Pledged with Government Authorities	2.12	2.12

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 5 : Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income Tax Assets	8.22	8.22
Total	**8.22**	**8.22**

Note 6 : Other Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non- Current		
Unsecured, Considered good		
Capital Advances	1,011.99	1,026.13
Balances with Government Authorities	43.72	42.83
Prepaid Expenses	22.52	121.93
Insurance claim Receivable	161.51	159.12
Total	**1,239.74**	**1,350.01**
Current		
Unsecured, Considered good		
Advances to Suppliers and Others	794.44	688.78
Balances with Government Authorities	724.33	900.69
Prepaid Expenses	195.23	487.21
Others Receivable	213.94	164.89
Total	**1,927.94**	**2,241.56**

Note 7 : Inventories

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Inventories		
Raw and Packing Materials	9,239.42	6,947.98
Raw and Packing Materials (In Transit)	19.08	307.38
Semi-Finished Goods	6,629.90	6,254.19
Semi-Finished Goods (In Transit)	25.05	2.48
Finished Goods	5,524.51	4,450.00
Finished Goods (In Transit)	35.31	27.34
Stock of Spares	274.11	298.36
Finished Goods (Traded Goods)	343.30	402.82
Total	**22,090.68**	**18,690.54**

a) The Inventories have been valued as per Note 2.10 of Material Accounting Policies.

b) Inventories are hypothecated against cash credit facilities availed by the company totaling to ₹ 10850 lakhs.

c) The cost of inventories recognised as an expense during the year was ₹ 48761.98 lakhs (March 31, 2024: ₹ 46553.22 lakhs).

d) The Company has no write-down of inventory to net realisable value as at March 31, 2025 and March 31, 2024.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 8 :Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good		
Trade Receivables # (Refer Note 34 for related party balances)	21,679.79	19,560.15
Less: Allowance for expected credit loss	120.15	116.80
	21,559.64	**19,443.35**

Trade Receivables are hypothecated against cash credit facilities availed by the company amounting to ₹ 10850 lakhs.

The average credit period on sales of goods is 60-90 days.

Movement in the expected credit loss allowance

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at beginning of the year	116.80	122.57
Provision during the year	6.82	-
Bad debts written off (net)	3.47	5.77
Balance at end of the year	**120.15**	**116.80**

Ageing for trade receivables – non-current outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from the date of transactions					Total
	Less Than 6 Months	6 Month - 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed trade receivables – considered good	20,302.56	699.58	521.74	56.64	99.28	21,679.79
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	(20.88)	(99.28)	(120.15)
Total	**20,302.56**	**699.58**	**521.74**	**35.77**	**-**	**21,559.64**

Ageing for trade receivables – non-current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from the date of transactions					Total
	Less Than 6 Months	6 Month - 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed trade receivables – considered good	19,019.78	337.52	98.32	30.92	73.61	19,560.15
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Particulars	Outstanding for following periods from the date of transactions					Total
	Less Than 6 Months	6 Month - 1 year	1-2 years	2-3 years	More Than 3 years	
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	(45.88)	-	(70.92)	(116.80)
Total	**19,019.78**	**337.52**	**52.44**	**30.92**	**2.70**	**19,443.35**

Note 9 : Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on Hand	10.14	9.45
Balances with Banks		
- In Cash Credit Accounts	1,350.61	178.18
- In Current Accounts	1.14	0.76
- In EEFC Accounts	9.40	0.60
- Bank Deposits (Maturity less than 3 months)	4,000.00	5,000.00
LC Margin Money	4.57	5.58
Total	**5,375.85**	**5,194.58**

Note 10 : Other Bank Balances

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
- Deposits with original maturity of more than three months but less than twelve months	5,489.32	16,344.00
- Balance In Escrow Account (Public Issue)	94.21	1,873.35
	5,583.53	**18,217.35**

Note 11 : Equity Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital		
11,00,00,000 Equity Shares of ₹ 5/- each	5,500.00	5,500.00
(P.Y. 11,00,00,000 Equity Shares of ₹ 5/- each)		
	5,500.00	**5,500.00**
Issued, Subscribed and Fully paid up		
10,53,95,378 Equity Shares of ₹ 5/- each fully paid up	5,269.77	5,269.77
(P.Y. 10,53,95,378 Equity Shares of ₹ 5/- each fully paid up)		
	5,269.77	**5,269.77**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

a) Reconciliation of number of Shares outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Equity Shares :				
Balance as at the beginning of the year	10,53,95,378	5,269.77	9,33,88,800	4,669.44
Add: Shares issued during the year	-	-	1,20,06,578	600.33
Balance as at the end of the year	**10,53,95,378**	**5,269.77**	**10,53,95,378**	**5,269.77**

b) Details of Equity Shares held by Shareholders Holding more than 5% of the aggregate Shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	% of share Holding	Number of Shares	% of share Holding
Equity Shares				
Khubilal J. Rathod	1,65,92,235	15.74%	1,65,92,235	15.74%
Vimalchand J. Rathod	1,24,40,887	11.80%	1,24,40,887	11.80%
Rajesh K. Rathod	82,76,380	7.85%	82,76,380	7.85%
Mohit K. Rathod	82,76,380	7.85%	82,76,380	7.85%
Sumit V. Rathod	82,76,380	7.85%	82,76,380	7.85%
Nirmala K. Rathod	82,76,380	7.85%	82,76,380	7.85%
Manjula V. Rathod	82,76,380	7.85%	82,76,380	7.85%

c) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares with face value of ₹ 5/- each. Each Shareholder has a voting right in proportion to his/her Holding of the paid-up Equity share capital of the Company. Where Dividend is proposed by the Board of Directors, it is subject to the approval of the Shareholders in the Annual General Meeting (AGM), and in the case of Dividend, it is ratified by the Shareholders at the Annual General Meeting.

d) Share held by each promoter [as per section 2(69) of the Companies Act, 2013]:

Promoter Name	As at March 31, 2025			As at March 31, 2024		
	Number of Shares	% of share Holding	% change during the year	Number of Shares	% of share Holding	% change during the year
Equity Shares						
Khubilal J. Rathod	1,65,92,235	15.74%	0.00%	1,65,92,235	15.74%	-4.26%
Vimalchand J. Rathod	1,24,40,887	11.80%	0.00%	1,24,40,887	11.80%	-3.20%
Rajesh K. Rathod	82,76,380	7.85%	0.00%	82,76,380	7.85%	-2.15%
Mohit K. Rathod	82,76,380	7.85%	0.00%	82,76,380	7.85%	-2.15%
Sumit V. Rathod	82,76,380	7.85%	0.00%	82,76,380	7.85%	-2.15%
	5,38,62,262	**51.10%**		**5,38,62,262**	**51.10%**	

e) Information regarding issue of shares in the last five years

The Company alloted bonus shares in the ratio of 1:1 (i.e. 4,66,94,400 bonus shares of ₹ 5/- each fully paid up) to its existing shareholders in it's Board Meeting held on March 24, 2023.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 12 : Other Equity

(₹ in lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
i) Retained Earnings			
Balance at the beginning of the year		50,048.42	38,231.97
Add: Profit for the year		11,211.27	11,816.46
Balance at the end of the year	**(a)**	**61,259.70**	**50,048.42**
ii) Securities Premium			
Balance at the beginning of the year		34,036.42	-
Add: Issue of Equity share		-	35,899.67
Less: Utilized issue expenses*		-	(1,863.25)
Balance at the end of the year	**(b)**	**34,036.42**	**34,036.42**
iii) Other Comprehensive Income			
Balance at the beginning of the year		(437.54)	(303.59)
Remeasurement (losses) on Defined Benefit Plan		(2.87)	(133.95)
Balance at the end of the year	**(c)**	**(440.41)**	**(437.54)**
Balance as at the end of the year	**(a+b+c)**	**94,855.71**	**83,647.30**

*Issue related expenses (net of GST) amounting to ₹ 1863.25 lakhs have been adjusted against securities premium account

Note 13 : Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
Secured - at Amortised cost		
Term Loan - from Bank	9.52	82.08
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 34)	1,517.07	2,711.81
Loan from Related Parties (Refer Note 34)	57.73	56.10
Total	**1,584.32**	**2,849.99**
Current		
Secured - at Amortised cost		
Packing Credit - from Bank	-	500.00
Current maturities of Long term borrowings	72.56	66.80
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 34)	0.20	148.88
Total	**72.75**	**715.67**

(₹ in lakhs)

Nature of Borrowing	Name of the lender	Nature of Borrowing	Loan Currency	Amount outstanding as on March 31, 2025	Rate of Interest	Repayment terms
Packing Credit - from Bank	Citi Bank N.A.	PCRE	INR	-	6.31%	77 days
Car Loan	Axis Bank	Car Loan	INR	16.03	7.71%	60 Months
Car Loan	Axis Bank	Car Loan	INR	34.02	8.45%	37 Months
Car Loan	Axis Bank	Car Loan	INR	32.03	8.45%	37 Months

Note:

a) Refer Note 32 for information on Company's exposure to Interest rate, Foreign Currency and Liquidity risks.

b) Working Capital Loans from Bank are secured by hypothecation of all present and future Stock and Receivables, First exclusive charge on all present & future movable fixed assets.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

c) Negative lien on immovable properties at:

Building at 708/1,708/2,708/3,708/4,708/6, 709/12 & 709 /18 Dabhel, District Daman owned by Flair Writing Industries Ltd.

d) The Unsecured Loan taken from Directors and related parties is subject to interest rate of 8.50% p.a to 9.00% p.a. The same is repayable upto Financial Year ending March 31, 2030.

e) The Company is filling monthly statement for Inventories, Debtors and Creditors for Raw Material with Banks (Citi Bank N.A. & Axis Bank) for working capital facilities. The below is summary of reconcilliation of quarterly statement filed with the banks and books of accounts:

(₹ in lakhs)

Quarter ended on	Amount as per books of accounts	Amount as reported in the statements	Difference	Remarks
March 31, 2025	38,903.88	39,022.87	(118.99)	The Quarterly statement submitted with Banks were prepared and filed before the completion of all financial statement closure which led to the above differences between the books of accounts and quarterly statement submitted with Banks based on provisional books of account.
December 31, 2024	38,952.29	38,901.05	51.24	
September 30, 2024	36,614.52	36,382.35	232.17	
June 30, 2024	34,213.47	34,148.11	65.35	
March 31, 2024	33,795.87	33,795.87	-	
December 31, 2023	33,710.08	33,694.23	15.84	
September 30, 2023	35,095.30	34,626.56	468.75	
June 30, 2023	34,334.10	33,916.00	418.10	

Note 14 : Lease Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Lease Liabilities	1,696.17	1,619.55
Total	**1,696.17**	**1,619.55**
Current		
Lease Liabilities	523.74	437.58
Total	**523.74**	**437.58**

Note 15 : Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Retention Money	7.34	46.56
Total	**7.34**	**46.56**
Current		
Retention Money	95.69	-
Creditors for capital expenditure (including MSME Creditors)	180.05	191.93
Security Deposit Received	8.50	8.50
Derivatives Financial Liabilities	2.27	-
Other Payables	2,042.96	2,006.51
Issue Expenses Payables	61.45	1,063.00
Total	**2,390.92**	**3,269.94**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 16 : Provisions

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Provision for Employee Benefits (Refer Note 30)	1,061.52	868.59
Total	**1,061.52**	**868.59**
Current		
Provision for Employee Benefits (Refer Note 30)	1,073.54	967.15
Total	**1,073.54**	**967.15**

Note 17 : Deferred Tax Liabilities:

In accordance with Indian Accounting Standard -12 relating to "Income Taxes" the breakup of Deferred Tax Liabilities/(Assets) is as follows :

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities	860.82	855.62
	860.82	**855.62**

Movement in deferred tax balances for the year ended March 31, 2025

(₹ in lakhs)

Particulars		As at April 1, 2024	Recognised in profit or loss	Recognised in OCI	As at March 31, 2025
Defered Tax Liabilities					
Property,Plant and Equipment and other Intangibles Assets		1,407.43	80.86	-	1,488.30
	(A)	**1,407.43**	**80.86**	**-**	**1,488.30**
Defered Tax Assets					
Provision for Gratuity		348.66	65.50	0.96	415.12
Provisions for Employee benefit obligation		113.36	8.87	-	122.23
Others		89.79	0.33	-	90.13
	(B)	**551.81**	**74.70**	**0.96**	**627.48**
Net Deferred tax Liablilities	**C = (A-B)**	**855.62**	**6.16**	**(0.96)**	**860.82**

Movement in deferred tax balances for the year ended March 31, 2024

(₹ in lakhs)

Particulars		As at April 1, 2023	Recognised in profit or loss	Recognised in OCI	As at March 31, 2024
Defered Tax Liabilities					
Property,Plant and Equipment and other Intangibles Assets		1,376.95	30.48	-	1,407.43
	(A)	**1,376.95**	**30.48**	**-**	**1,407.43**
Defered Tax Assets					
Provision for Gratuity		254.02	49.58	45.05	348.66
Provisions for Employee benefit obligation		91.05	22.31	-	113.36
Others		80.77	9.02	-	89.79
	(B)	**425.84**	**80.92**	**45.05**	**551.81**
Net Deferred tax Liablilities	**C = (A-B)**	**951.11**	**(50.44)**	**(45.05)**	**855.62**
AMT-MAT Receivables		17.70	(17.70)	-	-
	(D)	**17.70**	**(17.70)**	**-**	**-**
Total	**(C-D)**	**933.41**	**(32.73)**	**(45.05)**	**855.62**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

Given that the Company does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

Note 18 : Other Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
Government Grants #	13.82	19.49
Total	**13.82**	**19.49**
Current		
Statutory Remittances	793.31	693.22
Revenue received in advance		
- Others	475.08	187.06
Government Grants #	5.86	6.39
Total	**1,274.25**	**886.67**

Government Grants includes Subsidy Received on Capital Goods.

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
The movement of government grant is as below:		
Balance as at the beginning of the year	25.87	32.88
Add: Received during the year	-	-
Less: Government Grant recognised as income	6.19	7.01
Balance as at the end of the year	**19.68**	**25.87**

Note 19 : Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Outstanding Dues of Micro and Small Enterprises (Refer Note 34 for the related party balance)	1,716.83	1,531.24
Total Outstanding Dues of Creditors other than Micro and Small Enterprises (Refer Note 34 for the related party balance)	2,849.57	4,261.39
Total	**4,566.40**	**5,792.62**

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
- Micro, Small and Medium Enterprises	1,716.83	-	-	-	1,716.83
- Others	2,836.15	13.41	-	-	2,849.57
Disputed dues- Micro, Small and Medium Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**4,552.98**	**13.41**	**-**	**-**	**4,566.40**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
- Micro, Small and Medium Enterprises	1,531.24	-	-	-	1,531.24
- Others	4,034.32	224.73	2.33	-	4,261.39
Disputed dues- Micro, Small and Medium Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**5,565.56**	**224.73**	**2.33**	**-**	**5,792.62**

1) **Trade Payables are Non-Interest bearing and are normally settled within 45-90 days terms. Further Refer Note 32 for maturity pattern of Trade Payable.**

2) **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:**

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	1,715.03	1,530.62
- Interest	1.80	0.62
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Amount of payment made to the supplier beyond the appointed day during the year*	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.80	0.62
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purposes of disallowance of a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

* The payment was made beyond appointed day due to delay in receipt of invoices. Accordingly, management believes that no interest is payable on the same.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 20 : Current Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Tax Expenses (Net of Advance Tax)	340.70	88.72
Total	**340.70**	**88.72**

Note 21 : Revenue From Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Sale of Products		
Domestic	77,370.73	73,805.55
Export	16,567.94	17,119.21

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
b) Sale of Services	7.33	-
c) Other Operating Revenue		
Sale of Scrap	280.55	206.70
Export Incentives	704.88	734.81
Total	**94,931.44**	**91,866.27**

Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Disaggregation of revenue from contracts with customers		
Revenue from Operations		
Sale of Products		
Domestic	77,370.73	73,805.55
Export	16,567.94	17,119.21
Sale of Services	7.33	-
Other operating revenue	985.43	941.51
Total	**94,931.44**	**91,866.27**
b) Significant changes in the contract liabilities balances during the year		
Opening Balance	187.06	316.76
Add : Net additions during the year	463.88	171.05
Less : Revenue recognised during the year	175.86	300.75
Closing Balance	**475.08**	**187.06**
c) Contract liability (advance from customers)		
Advance from Customers	475.08	187.06
Total	**475.08**	**187.06**
d) Reconciliation of revenue as per contract price and as recognised in Statement of Profit and Loss		
Revenue from contracts with customers as per Contract price	95,735.52	93,054.02
Less : Discount, rebates, credits etc.	1,789.51	2,129.27
Add : Other operating revenue	985.43	941.51
Revenue from contracts with customers as per Statement of Profit and Loss	**94,931.44**	**91,866.27**

Note 22 : Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest		
- Bank	1,254.29	626.77
- Others	1,471.96	538.90
Other Non-Operating Revenue		
Government Grant Income	6.19	7.01
Gain On Foreign Currency Transactions (Net)	556.41	622.87
Labour Incentive	-	45.98
Premium/(Discount) on Forward Contract	-	13.24
Development Income	1.98	-
Tooling Amortisation Income	-	1.90
Rent	137.85	132.60
Other Non-Operating Income	72.38	13.13
Total	**3,501.06**	**2,002.39**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 23 : Cost of Materials Consumed

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year	7,255.35	8,539.25
Add: Purchase	51,286.73	45,790.95
Less: Inventories at the end of the year	9,258.50	7,255.35
Total	**49,283.58**	**47,074.85**

Note 24 : Purchases of Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchases of Stock-in-Trade	899.63	717.39
Total	**899.63**	**717.39**

Note 25 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year		
Semi- Finished Goods	6,256.67	5,852.85
Finished Goods	4,880.16	4,044.95
Total (A)	**11,136.83**	**9,897.80**
Inventories at the end of the year		
Semi- Finished Goods	6,654.95	6,256.67
Finished Goods	5,903.12	4,880.16
Total (B)	**12,558.06**	**11,136.83**
Total (A-B)	**(1,421.23)**	**(1,239.03)**

Note 26 : Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Wages and Bonus	13,932.99	12,306.70
Contribution to Provident Fund and others (Refer Note 30)	932.09	837.06
Gratuity (Refer Note 30)	344.45	296.40
Staff Welfare Expenses	120.63	192.71
Total	**15,330.15**	**13,632.88**

Note 27 : Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bank Interest	57.38	372.43
Interest on Right of Use Assets	184.32	203.09
Interest on delayed payment to MSME	1.93	0.68
Interest on Direct Tax / Indirect Tax	17.07	6.07
Borrowing Cost	122.93	184.81
Total	**383.63**	**767.09**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 28 : Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Manufacturing Expenses		
Consumption of Stores and Spares	312.90	339.99
Electric Power, Fuel and Water	1,971.87	1,762.09
Factory Rent	-	6.40
Freight Inward	153.45	164.75
Job Work and Other Related Expenditure	3,654.60	3,229.90
Loading and Unloading Expenses	31.37	22.04
Machine and Mould Maintenance	966.91	697.69
Factory Expenses	354.69	269.05
Establishment Expenses		
Charity and Donation	274.85	155.45
Electricity Charges	37.19	49.18
Insurance Expenses	111.23	118.77
Legal & Professional Fees	776.13	605.46
Postage & Courier	89.43	78.63
Printing and Stationery	47.55	49.96
Miscellaneous Expenses	102.54	58.89
Bank Charges	16.27	49.41
Loss of Goods Destroyed By Cyclone/In Transit	17.97	-
Repairs & Maintenance		
Computer	110.84	82.94
Vehicles	86.71	91.62
Others	166.43	166.45
Telephone & Communication Charges	60.06	48.74
Travelling & Conveyance	1,529.58	1,270.18
Director's Travelling & Conveyance	222.67	181.41
Director's Sitting Fees	11.10	17.90
Payments to Auditor **(Refer Note 28.1)**	53.00	53.00
Selling and Distribution Expenses		
Advertisement Expenses	1,439.93	1,782.50
Allowance For Expected Credit Loss On Trade Receivables	6.82	-
Sales Promotion & Marketing Expenses	289.70	246.61
Commission & Brokerage	316.63	428.34
Freight Outward	2,349.17	2,074.89
Export Expenses	38.00	34.44
Total	**15,599.58**	**14,136.66**

Note 28.1 Payments to Auditor

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As Auditors:		
Statutory Audit Fees	36.00	36.00
Taxation Matters	17.00	17.00
Total	**53.00**	**53.00**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 29 : Earnings per share (EPS)

In accordance with the Indian Accounting Standard -33 on "Earnings per Share" (EPS):

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Profit for the year (₹ in lakhs)	11,211.27	11,816.46
(b) Weighted Average number of Ordinary Shares outstanding for the purpose of Basic Earning per share (numbers)	10,53,95,378	9,75,81,261
(c) Effect of potential Equity shares on conversion of outstanding share warrants (numbers)	-	-
(d) Weighted average number of Equity Shares in Computing diluted earning per share (numbers) (b+c)	10,53,95,378	9,75,81,261
(e) Earning per share on profit for the year (Face Value ₹5.00 Per Share)		
- Basic (a/b) (in ₹)	10.64	12.11
- Diluted (a/d) (in ₹)	10.64	12.11

Note 30 : Gratuity and other post employment benefit plans

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

(a) Defined contribution plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employer's Contribution to Provident Fund	329.66	302.90
Employer's Contribution to Employee State Insurance Scheme	42.19	36.84
Employer's Contribution to Pension Scheme	560.24	497.32
Total	**932.09**	**837.06**

(b) Defined benefit plan

Post employment and other long term employee benefits in the form of gratuity are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The Company has an unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972.

The following tables summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit obligation.

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Defined Benefit obligation at beginning of the year	1,385.33	1,009.31
Add: Current Service Cost	245.47	222.56
Interest Cost	98.98	73.84
Remeasurement during the period due to :		-
Actuarial loss / (gain) arising from change in financial assumptions	45.34	8.76
Actuarial loss / (gain) arising from change in demographic assumption	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial loss / (gain) arising on account of experience variance	(41.51)	170.24
Past Service Cost		-
Benefits paid	(84.21)	(99.39)
Defined Benefit obligation at end of the year	**1,649.39**	**1,385.33**
Net liability is bifurcated as follows :		
Current	587.87	516.74
Non-current	1,061.52	868.59
Net liability	**1,649.39**	**1,385.33**

II) Reconciliation of opening and closing balances of Fair Value of Plan Assets

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair Value of Plan Assets beginning of the year	-	-
Investment Income	-	-
Employer's Contribution	-	-
Employee's Contribution	-	-
Benefits Paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	-	-

III) Reconciliation of Fair Value of Assets and Obligations

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair Value of Plan Assets	-	-
Present Value of Obligation	1,649.39	1,385.33
Amount Recognised in Balance Sheet Surplus/(Deficit)	(1,649.39)	(1,385.33)

IV) Expenses recognised during the year

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
In Income Statement		
Current Service Cost	245.47	222.56
Interest Cost	98.98	73.84
Past Service Cost	-	-
Return on Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Net cost for the year recognised in Income statement	**344.45**	**296.40**
In Other Comprehensive Income		
Actuarial (Gain)/Loss	3.83	179.00
Return on Plan Assets	-	-
Net(Income)/Expenses for the year recognised in Other Comprehensive Income	**3.83**	**179.00**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

V) Investments details

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Government securities	-	-
Public Securities	-	-
Others	-	-

VI) Actuarial Assumptions

Mortality table (Indian assured lives mortality)	For the year ended March 31, 2025	For the year ended March 31, 2024
	(Ultimate)	**(Ultimate)**
Discount rate (p.a.)	6.50%	7.15%
Withdrawal Rate	50% of lower services reducing to 2% at higher services	50% of lower services reducing to 2% at higher services
Salary escalation (p.a.)	4.50%	4.50%

Sensitivity Analysis

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Assumptions -Discount rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	(1,614.28)	(1,356.71)
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	1,686.52	1,415.55
Assumptions - Salary Escalation rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	1,686.15	1,415.70
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	(1,614.14)	(1,356.32)

The estimates of rate of escalation in salary considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

The gratuity liabilities of the Company are unfunded and hence there are no assets held to meet the liabilities.

The following payments are expected contributions to the defined benefit plan in future years

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Within the next 12 months (next annual reporting period)	587.87	516.74
Between 2 and 5 years	819.86	687.51
Beyond 5 years	971.01	861.87
Total expected payments	**2,378.73**	**2,066.12**
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	4 years	4 years

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 31 : Financial Instruments

Fair Value Measurement Hierarchy

As at March 31, 2025

(₹ in lakhs)

Particulars	Carrying amount				Fair Value Measurement Hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments	-	-	3,464.70	3,464.70	-	-	3,464.70	3,464.70
Trade Receivables	-	-	21,559.64	21,559.64	-	-	21,559.64	21,559.64
Cash and Cash Equivalents	-	-	5,375.85	5,375.85	-	-	5,375.85	5,375.85
Other Bank Balance	-	-	5,583.53	5,583.53	-	-	5,583.53	5,583.53
Loans	-	-	22,472.33	22,472.33	-	-	22,472.33	22,472.33
Other Financial Assets	-	-	1,249.76	1,249.76	-	-	1,249.76	1,249.76
Total Financial Assets	**-**	**-**	**59,705.82**	**59,705.82**	**-**	**-**	**59,705.82**	**59,705.82**
Financial Liabilities								
Non-Current Borrowings	-	-	1,584.32	1,584.32	-	-	1,584.32	1,584.32
Current Borrowings	-	-	72.75	72.75	-	-	72.75	72.75
Lease Liabilities	-	-	2,219.91	2,219.91	-	-	2,219.91	2,219.91
Trade payables	-	-	4,566.40	4,566.40	-	-	4,566.40	4,566.40
Other Financial Liabilities	-	-	2,398.26	2,398.26	-	-	2,398.26	2,398.26
Total Financial Liabilities	**-**	**-**	**10,841.64**	**10,841.64**	**-**	**-**	**10,841.64**	**10,841.64**

As at March 31, 2024

(₹ in lakhs)

Particulars	Carrying amount				Fair Value Measurement Hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments	-	-	361.00	361.00	-	-	361.00	361.00
Trade Receivables	-	-	19,443.35	19,443.35	-	-	19,443.35	19,443.35
Cash and Cash Equivalents	-	-	5,194.58	5,194.58	-	-	5,194.58	5,194.58
Other Bank Balance	-	-	18,217.35	18,217.35	-	-	18,217.35	18,217.35
Loans	-	-	13,336.15	13,336.15	-	-	13,336.15	13,336.15
Other Financial Assets	-	-	1,430.94	1,430.94	-	-	1,430.94	1,430.94
Total Financial Assets	**-**	**-**	**57,983.38**	**57,983.38**	**-**	**-**	**57,983.38**	**57,983.38**
Financial Liabilities								
Non-Current Borrowings	-	-	2,849.99	2,849.99	-	-	2,849.99	2,849.99
Current Borrowings	-	-	715.67	715.67	-	-	715.67	715.67
Lease Liabilities	-	-	2,057.14	2,057.14	-	-	2,057.14	2,057.14
Trade payables	-	-	5,792.62	5,792.62	-	-	5,792.62	5,792.62
Other Financial Liabilities	-	-	3,316.50	3,316.50	-	-	3,316.50	3,316.50
Total Financial Liabilities	**-**	**-**	**14,731.93**	**14,731.93**	**-**	**-**	**14,731.93**	**14,731.93**

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs based on unobservable market data.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Valuation Methodology :

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

a) Fair valuation of Financial Assets and Liabilities with short-term maturities is considered as approximate to respective carrying amount due to the Short Term maturities of these Instrument.

b) The fair value is determined by using the valuation model/technique with observable inputs and assumptions.

c) The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates and yield curves at the balance sheet date.

d) The fair value of investment in Mutual Fund is measured at cost quoted price or NAV.

e) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis

Note 32 : Financial Risk Management

Risk Management Framework

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's Financial Risk Management Policy is set and governed by the Managing Director under the overall directions of the Board of Directors of the Company.

Market Risk is the risk of loss of future earnings, fair values or future cash flows, that may result from a change in the price of a Financial Instrument. The value of a Financial Instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes, that affect market risk sensitive instruments. Market Risk is attributable to all the market risk sensitive Financial Instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company's Board of Directors are responsible for the day to day working of the management and the overall working of the Company's Risk Management framework.

i) Credit Risk

Credit Risk is the risk that a customer or counterparty to a Financial Instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit Risk arises from Company's outstanding receivables from Customer

The Company's exposure to Credit Risk is influenced mainly by the individual characteristics of each Customer. Credit Risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the Customers, to whom the Company grants credit in accordance with the terms and conditions and in ordinary course of its business.

The Risk Management Committee has established a Credit Policy under which each new customer is analysed individually for creditworthiness, before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the Company segments its Customers into Super Stockiest/ Distributors and Others, for credit monitoring.

For Trade Receivables, the Company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such Trade Receivables, wherever required and monitors the same at periodic intervals.

The Company monitors each Loan and advance given and makes any specific provision, as and when required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of Trade Receivables and Loans and Advances

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Trade Receivables

Customer Credit Risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis based on historical data. The Company is receiving payments from customers within due dates and therefore the Company has no significant Credit Risk related to these parties. The Company evaluates the concentration of risk with respect to trade receivables as low.

Ageing of Trade Receivables are as follows:

(₹ in lakhs)

Due from the date of Invoice	As at March 31, 2025	As at March 31, 2024
Less than 6 months	20,302.56	19,019.78
6 months to 12 months	699.58	337.52
beyond 12 months	557.51	86.05
Total	**21,559.64**	**19,443.35**

ii) Liquidity Risk

Liquidity Risk arises from the Company's inability to meet its cash flow commitments on time. Prudent Liquidity Risk Management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. In addition, processes and policies related to such risk are overseen by the Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Particulars	As at March 31, 2025	As at March 31, 2024
Unutilised credit limit from bank (₹ in lakhs)	10,760.30	10,850.00
Current Ratio	5.88	5.36
Liquid Ratio	3.69	3.71

Contractual Maturity profile of Financial Liabilities:

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the reporting date:

As at March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2025					
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	TOTAL
Financial liabilities						
Borrowings	35.72	37.03	9.52	1,574.80	-	1,657.07
Lease Liabilities	261.31	262.43	1,209.89	97.13	389.15	2,219.91
Trade payables	4,566.40	-	-	-	-	4,566.40
Other financial liabilities	2,388.64	-	7.34	-	-	2,395.99
	7,252.07	**299.46**	**1,226.75**	**1,671.93**	**389.15**	**10,839.36**
Derivative Liabilities	2.27	-	-	-	-	2.27
TOTAL	**7,254.35**	**299.46**	**1,226.75**	**1,671.93**	**389.15**	**10,841.64**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

As at March 31, 2024

(₹ in lakhs)

Particulars	As at March 31, 2024					
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	TOTAL
Financial liabilities						
Borrowings	681.58	34.09	82.08	-	2,767.91	3,565.67
Lease Liabilities	213.87	223.71	934.54	560.21	124.80	2,057.14
Trade payables	5,792.62	-	-	-	-	5,792.62
Other financial liabilities	3,269.94	-	46.56	-	-	3,316.50
	9,958.02	**257.80**	**1,063.18**	**560.21**	**2,892.71**	**14,731.93**
Derivative Liabilities	-	-	-	-	-	-
TOTAL	**9,958.02**	**257.80**	**1,063.18**	**560.21**	**2,892.71**	**14,731.93**

iii) Market Risk- Interest Risk

Interest Rate Risk can be either Fair Value Interest Rate Risk or Cash Flow Interest Rate Risk. Fair Value Interest Rate Risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash Flow Interest Rate Risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Interest Rate Exposure

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest Expense		
Loan from Banks	57.38	372.43
Unsecured loan from Directors & their relatives	121.31	168.15
Others	184.32	203.09
Total	**363.00**	**743.67**

Impact on Interest Expenses for the year on 1% change in Interest Rate

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
1% Change in increase in Interest Rate	3.63	7.44
1% Change in decrease in Interest Rate	(3.63)	(7.44)

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

iv) Market risk- Currency Risk

The Company operates internationally and a portion of the business is transacted in several currencies. Consequently, the Company is exposed to foreign exchange risk through its sales to overseas markets and purchases from overseas suppliers in various foreign currencies.

Exposure to currency risk

The details of unhedged foreign currency at the exchange rate at reporting date are:

(₹ in lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024				
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY	CNY
Financial assets									
Trade receivables	5,575.30	5.79	-	-	5,321.91	26.83	-	-	43.51
Other assets	607.65		637.22	53.68	1,065.47	9.42	2.50	-	-

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024				
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY	CNY
Financial liabilities									
Trade payables	88.31	21.45	-	62.69	333.05	313.54	-	101.72	-
Other liabilities	441.80	-	-	-	156.71	-	-	-	-
Net Exposure	**5,652.84**	**(15.66)**	**637.22**	**(9.01)**	**5,897.63**	**(277.30)**	**2.50**	**(101.72)**	**43.51**

SENSITIVITY ANALYSIS

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges

(₹ in lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024				
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY	CNY
1% Depreciation in INR									
Impact on Profit & Loss	56.53	(0.16)	6.37	(0.09)	58.98	(2.77)	0.02	(1.02)	0.44
TOTAL	**56.53**	**(0.16)**	**6.37**	**(0.09)**	**58.98**	**(2.77)**	**0.02**	**(1.02)**	**0.44**
1% Appreciation in INR									
Impact on Profit & Loss	(56.53)	0.16	(6.37)	0.09	(58.98)	2.77	(0.02)	1.02	(0.44)
TOTAL	**(56.53)**	**0.16**	**(6.37)**	**0.09**	**(58.98)**	**2.77**	**(0.02)**	**1.02**	**(0.44)**

Sensitivity analysis is computed based on the changes in the receivables and payables in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

v) Commodity Risk

The Company's principle raw material(s) are a variety of Plastic Polymers which are primarily derivatives of Crude Oil. Company sources its raw material requirement from across the globe. Domestic market prices generally remains in sync with the International market prices.

Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent Currencies coupled with demand–supply scenario in the world market, affect the effective price and availability of Polymers for the Company. Company effectively manages availability of material as well as price volatility by expanding its source base, having appropriate contracts and commitments in place and planning its procurement and inventory strategy.The company financial risk management have developed and enacted a Risk Management strategy regarding Commodity Price Risk and its mitigation.

Note 33 : Income tax expense

(a) Amounts recognised in profit and loss

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax	3,871.81	4,061.13
Deferred tax	6.16	(32.73)
Short/(Excess) Provision of tax relating to earlier years	(3.22)	0.42
Total Income Tax expenses	**3,874.75**	**4,028.82**

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Remeasurement (losses) on Defined Benefit Plan	(3.83)	(179.00)
Tax (expense)/ benefit	0.96	45.05
Net of tax	**(2.87)**	**(133.95)**

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(c) Reconciliation of effective income tax rate

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Profit before tax	15,086.02	15,845.28
Company's domestic tax rate	25.17%	25.17%
Income tax using the Company’s tax rate	3,796.85	3,987.94
Tax effect of:		
Permanent disallowances	65.74	36.85
Timming Difference	9.22	36.34
Deferred tax	6.16	(32.73)
Short/(Excess) Provision of tax relating to earlier years	(3.22)	0.42
Income tax as per Profit & Loss Account	**3,874.75**	**4,028.82**
Effective Tax Rate	**25.68%**	**25.43%**

Note 34 : Related Party Disclosure

(a) Parties where control exists whether or not transactions have taken place:

Nature of Relationship	Name of Related Party
(i) Subsidiary Company	Flair Writing Equipments Pvt Ltd.
	Flair Cyrosil Industries Pvt. Ltd.
	Monterosa Stationery Pvt. Ltd
(ii) Step-down Subsidiary Company	Flomaxe Stationery Pvt. Ltd

(b) Other Related Parties with whom transactions have taken place:

Nature of Relationship	Name of Related Party
(i) Key Managerial Personnel (KMP)	Khubilal J. Rathod
	Vimalchand J. Rathod
	Rajesh Rathod
	Mohit Rathod
	Sumit Rathod
	Punit Saxena
	Manoj Lalwani
	Rajneesh Bhandari
	Sheetal B. Shetty
	Bishan Singh Rawat
	Deven Bipin Shah
	Mayur Gala
	Alpesh Porwal
	Vishal Chanda
(ii) Relatives of Key Managerial Personnel	Nirmala Rathod
	Manjula Rathod
	Sangita Rathod
	Shalini Rathod
	Sonal Rathod
	Kiemaya Rathod
	Sunita Jain
	Jayesh Jain
(iii) Enterprises over which any person described in (i) and (ii) above is able to influence (The Enterprises):	Flair Pens Ltd.
	Pentel Stationery (India) Pvt. Ltd.
	Flair Pen & Plastic Industries
	Hauser Lifestyle Products
	Rathod N Rathod

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(c) Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2025	For the year ended March 31, 2024
1	**Sale of Goods**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	1,543.12	1,178.12
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	53.50	84.13
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	17.98	93.98
2	**Sale of Fixed Assets**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	2.39	36.80
3	**Purchase of Goods**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	2,049.73	1,004.10
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	478.11	411.39
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	334.75	116.49
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	35.09	-
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	22.02	-
4	**Purchase of Fixed Assets**			
	Hauser Lifestyle Products	Enterprises over which Key Managerial Personnel are able to exercise significant influence	-	43.96
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	22.95	-
5	**Labour Charges**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	-	0.59
6	**Rent Expense**			
	Khubilal J. Rathod	Key Managerial Personnel	3.90	6.68
	Vimalchand J. Rathod	Key Managerial Personnel	14.18	16.96
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	201.60	185.89
	Flair Pen & Plastic Industries		244.45	238.85
	Rathod N Rathod		1.80	1.80
	Nirmala Rathod	Relative of KMP	51.90	47.38
	Manjula Rathod	Relative of KMP	51.90	47.38
7	**Rent Income**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	135.50	132.60
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	0.50	-
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.50	-
	Flair Pens Ltd.		0.50	-
	Flair Pen & Plastic Industries		0.50	-
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	0.15	-
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	0.20	-
8	**Advertisement and Sales promotion expenses**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	-	166.88
9	**Re-imburesement of Expenses (Paid)**			
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	9.68	12.80
	Jayesh Jain	Relative of KMP	0.76	0.35

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2025	For the year ended March 31, 2024
10	**Re-imburesement of IPO Expenses (Paid)**			
	Khubilal J. Rathod	Key Managerial Personnel	-	289.89
	Vimalchand Rathod	Key Managerial Personnel	-	223.62
	Rajesh Rathod	Key Managerial Personnel	-	182.17
	Mohit Rathod	Key Managerial Personnel	-	182.17
	Sumit Rathod	Key Managerial Personnel	-	182.17
	Nirmala Rathod	Relative of KMP	-	182.17
	Manjula Rathod	Relative of KMP	-	182.17
	Sangita Rathod	Relative of KMP	-	91.08
	Shalini Rathod	Relative of KMP	-	91.08
	Sonal Rathod	Relative of KMP	-	91.08
11	**Re-imburesement of Expenses (Received)**			
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	131.62	37.08
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	9.06	-
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	305.54	229.18
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.94	-
12	**Interest Income**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	834.57	294.03
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	614.83	217.50
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	0.07	-
13	**Interest Expenses**			
	Khubilal J. Rathod	Key Managerial Personnel	9.78	2.64
	Vimalchand J. Rathod	Key Managerial Personnel	13.24	4.38
	Rajesh Rathod	Key Managerial Personnel	11.23	3.33
	Mohit Rathod	Key Managerial Personnel	21.28	2.20
	Sumit Rathod	Key Managerial Personnel	5.64	1.10
	Nirmala Rathod	Relative of KMP	2.97	22.24
	Manjula Rathod	Relative of KMP	5.16	4.90
	Sangita Rathod	Relative of KMP	14.88	49.13
	Shalini Rathod	Relative of KMP	11.91	54.22
	Sonal Rathod	Relative of KMP	20.12	19.48
	Sunita Jain	Relative of KMP	2.68	2.73
	Kiemaya Rathod	Relative of KMP	2.41	1.81
14	**Director/Managerial Remuneration**			
	Khubilal J. Rathod	Key Managerial Personnel	72.60	49.50
	Vimalchand J. Rathod	Key Managerial Personnel	72.60	66.00
	Rajesh Rathod	Key Managerial Personnel	72.64	66.00
	Mohit Rathod	Key Managerial Personnel	72.64	66.00
	Sumit Rathod	Key Managerial Personnel	72.64	66.00
	Mayur Gala	Key Managerial Personnel	22.84	60.00
	Vishal Chanda	Key Managerial Personnel	14.60	11.80
	Alpesh Porwal	Key Managerial Personnel	53.23	-
15	**Director/Managerial Commission**			
	Khubilal J. Rathod	Key Managerial Personnel	-	8.00
	Jayesh Jain	Relative of KMP	162.05	145.15
16	**Sitting Fees**			
	Punit Saxena	Key Managerial Personnel	3.50	4.00
	Manoj Lalwani	Key Managerial Personnel	1.80	4.00
	Sheetal B. Shetty	Key Managerial Personnel	1.30	1.60

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rajneesh Bhandari	Key Managerial Personnel	2.40	3.60
	Bishan Singh Rawat	Key Managerial Personnel	-	4.70
	Deven Bipin Shah	Key Managerial Personnel	2.10	-
17	**Loan Taken**			
	Khubilal J. Rathod	Key Managerial Personnel	1,955.80	195.00
	Vimalchand J. Rathod	Key Managerial Personnel	1,593.07	144.90
	Rajesh Rathod	Key Managerial Personnel	1,374.15	1,078.55
	Mohit Rathod	Key Managerial Personnel	806.10	1,392.50
	Sumit Rathod	Key Managerial Personnel	635.15	44.55
18	**Loan Repaid**			
	Khubilal J. Rathod	Key Managerial Personnel	1,804.76	154.15
	Vimalchand J. Rathod	Key Managerial Personnel	1,393.39	135.50
	Rajesh Rathod	Key Managerial Personnel	1,477.65	925.83
	Mohit Rathod	Key Managerial Personnel	1,973.95	118.83
	Sumit Rathod	Key Managerial Personnel	456.59	92.43
	Nirmala Rathod	Relative of KMP	80.54	463.40
	Manjula Rathod	Relative of KMP	10.65	18.33
	Sangita Rathod	Relative of KMP	203.35	804.31
	Shalini Rathod	Relative of KMP	256.13	850.39
	Sonal Rathod	Relative of KMP	49.25	151.54
19	**Loan Given**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	10,337.20	7,421.86
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	4,378.50	5,550.78
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	3.60	-
20	**Loan Received**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	4,358.11	3,191.19
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	1,217.00	1,893.00

(d) **Outstanding balances as at the year end**

(₹ in lakhs)

Sr. No.	Nature of Balance Outstanding	Type	As at March 31, 2025	As at March 31, 2024
1	**Investment**			
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	360.00	360.00
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	1.00	1.00
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	1.00	-
2	**Trade Payables**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	255.64	-
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key	59.09	68.57
	Hauser Lifestyle Products	Managerial Personnel are able to exercise significant influence	-	43.90
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	140.39	-
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	38.44	-
3	**Trade Recievables**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	68.34	171.43
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	1.65	37.34
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	4.85	21.24

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Nature of Balance Outstanding	Type	As at March 31, 2025	As at March 31, 2024
4	**Loan Outstanding (Liability)**			
	Khubilal J. Rathod	Key Managerial Personnel	302.08	151.04
	Vimalchand J. Rathod	Key Managerial Personnel	374.66	174.98
	Mohit Rathod	Key Managerial Personnel	157.47	1,325.32
	Rajesh Rathod	Key Managerial Personnel	126.83	230.33
	Sumit Rathod	Key Managerial Personnel	191.38	12.83
	Nirmala Rathod	Relative of KMP	19.19	99.73
	Manjula Rathod	Relative of KMP	57.22	67.87
	Sangita Rathod	Relative of KMP	49.27	252.62
	Shalini Rathod	Relative of KMP	40.75	296.88
	Sonal Rathod	Relative of KMP	198.21	247.50
	Sunita Jain	Relative of KMP	30.40	30.20
	Kiemaya Rathod	Relative of KMP	27.53	27.53
5	**Rent Payable**			
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	135.50	1.60
6	**Rent Receivable**			
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	0.24	-
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	0.18	-
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.59	-
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	14.44	0.11
7	**Loan Outstanding (Assets)**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	13,811.63	7,832.54
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	8,620.25	5,458.75
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	3.66	-
8	**Director/Managerial Commission (Outsanding)**			
	Jayesh Jain	Relative of KMP	10.36	14.11
9	**Other Receivables**			
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	9.47	-
10	**Other Payable**			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	0.24	-

Note 35 : Capital Management

For the purpose of the Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the period/year ended March 31, 2025 and March 31, 2024. Capital gearing ratio is net debt divided by total capital plus net debt and Net debt is calculated as loans and borrowings less cash and cash equivalent. The Company policy is to keep the gearing ratio at optimum level.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

The following table summarizes the capital:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Gross Debt including lease liability		
Long Term Debt	1,584.32	2,849.99
Short Term Debt	72.75	715.67
Lease liabilities	2,219.91	2,057.14
Less: Cash and Cash Equivalents	5,375.85	5,194.58
Net Debt (A)	**(1,498.87)**	**428.22**
Total Equity (B)	**1,00,125.47**	**88,917.07**
Net Gearing Ratio (A/B)	**-0.015**	**0.005**

Note 36 : Segment Reporting

Description of Segment and principal activities

As per Ind AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) the Company chief operating decision maker, i.e. Managing Director ('CODM') has identified "Writing Instruments and its Allieds" as the reportable segments. Since the Company is having only one reportable segment hence disclosure requirement as per Ind AS 108 is not applicable.

Geographical Information

The following table provides an analysis of the Company sales by region in which the customer is located, irrespective of the origin of the goods.

(₹ in lakhs)

Revenue from operations	Within India	Outside India	Total
For the year ended March 31, 2025	77,658.61	17,272.83	94,931.44
For the year ended March 31, 2024	74,012.25	17,854.02	91,866.27
Non-Current Assets*			
As at March 31, 2025	31,859.10	-	31,859.10
As at March 31, 2024	28,411.53	-	28,411.53

*Non-Current assets for this purpose excludes non-current investments, non-current financial assets, income tax and deferred tax assets.

Information about major customers

No single customer has accounted for more than 10% of the Company revenue for the year ended March 31, 2025 and March 31, 2024.

Note 37 : Corporate Social Responsibility Expenditure(CSR)

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility (CSR) Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure.

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Amount required to be spent as per Section 135 of Companies Act, 2013	254.32	149.86
b) Amount Spent during the year		
i) Construction/Acquisition of assets	-	-
ii) On purpose other than above	271.89	140.48
c) Short/Excess amount spent under section 135 (5)		
i) Amount required to be spent during the year	254.32	149.86
ii) Actual amount spent/incurred during the year	271.89	140.48

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short/(Excess) amount spent	**(17.57)**	**9.38**
d) Nature of CSR activities	Education and Social welfare	
e) Details of related party transations in relation to CSR expenditure as per relevant Accounting Standard	-	-

Note 38 : Leases

Lease expenses which were recognized as other Expenses has been substituted with depreciation expense for right of use asset and finance cost for interest accrued on lease liability. The impact of adoption of this standard on Profits is as follows-

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Reduction in Lease Rental	(650.97)	(594.44)
b) Increase in Depreciation	545.89	492.92
c) Increase in Interest	184.32	203.09
Net Impact on Profit before Tax	**79.24**	**101.57**

Note 39 : Contingent Liabilities and Commitments

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
A. Contingent Liability		
a) Disputed GST, Excise and Service Tax Matters	1,102.59	1,015.59
b) Income Tax Matters	426.60	551.23
c) Letter of Credit	81.72	475.04
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:	296.33	735.74

The Company usually fulfills the obligation(s) in the subsequent years in ordinary course of business and hence no provision, for any contingent liability which would have arisen on completion of export obligations,has been made.

Note 40 : Ratio Analysis

Ratio	Numerator	Denominator	2024-25 Ratio	2023-24 Ratio	Variance (in %)	Explanation for change in the ratio by more than 25%
Current Ratio (in times)	Current Assets	Current Liabilities	5.88	5.36	9.85%	
Debt-Equity Ratio (in times)	Total Debt	Total equity	0.04	0.06	-38.77%	Decreased due to reduce in borrowings
Debt service coverage ratio (in times)	Earning for Debt Service	Debt service	1.73	3.24	-46.57%	Decreased due to repayment of borrowings
Return on equity ratio (in %)	Net Profit after taxes	Total equity	11.20%	13.29%	-15.74%	
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.63	5.16	-10.24%	
Trade Payable turnover ratio (in times)	Purchase	Average trade payables	10.08	8.39	20.06%	

Notes to the Standalone Financial Statements (Contd.)
for the year ended March 31, 2025

Ratio	Numerator	Denominator	2024-25 Ratio	2023-24 Ratio	Variance (in %)	Explanation for change in the ratio by more than 25%
Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	3.54	3.60	-1.70%	
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	1.84	2.48	-25.70%	Decreased due to repayments of borrowings and decrease in cash and other bank balance
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.81%	12.86%	-8.18%	
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed	14.75%	17.41%	-15.29%	
Return on investment (in %)	Gain on Sale of Mutual Funds	Cost of Investment	0.43%	0.16%	163.50%	Increased due to increase in profit

Note 41 : Additional regulatory information required by Schedule III of Companies Act, 2013

1) The Company does not have any Benami property or proceeding is pending against the Company for holding any Benami Property.

2) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

   The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

3) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

4) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

5) The Company has not traded or invested in crypto currency or virtual currency during the financial year

6) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

7) The Company is not declared as wilful defaulter by any bank or financial institution or government or any government authority.

8) The Company has no transactions with the companies struck off under Companies Act, 2013.

9) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

10) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 1 to the financial statements, are held in the name of the Company.

11) The borrowings obtained by the Company from banks have been applied for the purposes for which it was taken.

Notes to the Standalone Financial Statements (Contd.)

for the year ended March 31, 2025

Note 42 : Initial Public offer

During the year ended March 31, 2024, the Company has completed an Initial Public Offer("IPO") by way of fresh issue of 96,05,263 equity shares of face value ₹ 5 each at an issue price of ₹ 304 per equity shares aggregating to ₹ 29,200 lakhs and an Offer for Sale of 99,01,315 equity Shares of face value ₹ 5 each for at an issue price of ₹ 304 per equity share aggregating to ₹ 30,100 lakhs. The Equity shares of the Company were listed on National stock Exchange of India Limited (NSE) and BSE Limited (BSE) (hereinafter collectively referred as "Stock Exchanges") on December 01, 2023.

The details of Utilisation of the IPO proceeds of ₹ 27,303.72 lakhs (net of estimated share issue expenses of ₹ 1,896.28 lakhs) is as follows:

Particulars	Amount utilized (₹ in lakhs)		
	IPO Proceeds (net)	Utilisation upto March 31, 2025	Unutilised amount March 31, 2025
Setting up new Valsad unit	5,599.30	519.37	5,079.93
Funding capital expenditure of the Company and it's Subsidiary, Flair Writing Equipments Private Limited	8,674.80	6,265.43	2,409.37
Funding working capital requirements of the Company and it's Subsidiaries, Flair Writing Equipments Private Limited and Flair Cyrosil Industries Private Limited	7,700.00	7,700.00	-
Repayment/pre-payment, in part or full, of certain borrowings availed by the Company and Subsidiaries, Flair Writing Equipments Private Limited and Flair Cyrosil Industries Private Limited	4,300.00	4,300.00	-
General corporate purposes	1,029.62	1,029.62	-
Total	**27,303.72**	**19,814.42**	**7,489.30**

Out of net proceeds which were unutilised as at March 31, 2025 ₹ 7,489.30 lakhs were temporarily invested in deposit with banks.

Note 43 : Significant Events After The Reporting Period

The Board of Directors has recommended distribution of Dividend at rate of 20 % i.e. ₹ 1.00 per equity share of the face value of ₹ 5 for the financial year 2024-25, Subject to shareholders approval in ensuing Annual General Meeting (AGM).

Note 44

The figure for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

Note 45

The financial statements were approved by the Board of Directors in their meeting held on May 22, 2025.

As per our Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Consolidated Financial Statements

Consolidated Independent Auditor's Report

To the Members of Flair Writing Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Flair Writing Industries Limited** (hereinafter referred to as the "**Parent Company**") and its subsidiaries- Flair Cyrosil Industries Private Limited, Flair Writing Equipments Private Limited and Monterosa Stationery Private Limited (the Parent Company and its subsidiaries together referred to as the "**Group**") which comprise Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profits, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition (Refer note 2.7 of the Consolidated Financial Statements)**	
	Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations, substantive testing for cut-offs and analytical review procedures.
2	**Recoverability of Indirect tax and Insurance Claim receivables (Refer note 5 of the Consolidated Financial Statements)**	
	As at March 31, 2025, non-current assets in respect of Indirect tax receivables include VAT recoverable amounting to ₹ 43.72 lakhs which are subject to pending assessment and in respect of Insurance Claim Receivable amounting to ₹ 161.51 lakhs which is pending adjudication.	The Company has taken advice of the expert(s) with respect to the respective claim to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and its subsidiary Companies has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Parent Company and such other entities included in Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraph 3(xxi) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Parent Company and its subsidiaries as at and for the year ended March 31, 2025, included in the Consolidated Financial Statements of the Group, we report in respect of those companies where audits have been completed under section 143 of the Act, we have not reported any qualifications or adverse remarks.

2. As required by Section 143(3) of the Act, based on our audit. we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Group including relevant records so far as it appears from our examination of those books;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2025 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary Companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" which is based on the auditors' reports of the Parent Company and its subsidiary Companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies;

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the respective companies to their respective directors during the year are in accordance with the provisions of section 197 of the Act;

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

i. The Consolidated Financial Statements has disclosed the impact of pending litigations on the consolidated financial position of the Group. Refer Note 40 to the Consolidated Financial Statements.

ii. The Group did not have any long-term contracts including derivative contracts which could result in any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

iv. (a) The respective Management of the Parent Company and its subsidiaries, which are companies incorporated in India and whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of subsidiaries to or in any other person(s) or entities outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person(s) or entities identified in any manner whatsoever by or on behalf of the Company or any of subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Management of the Parent Company and its subsidiaries which are companies incorporated in India whose financial statement have been audited under the Act, have represented to us, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other person(s) or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Parent Company and its subsidiaries which are companies incorporated in India whose Financial Statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 45 to the Consolidated Financial Statements, the Board of Directors of the Parent Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, performed by us on the Parent Company and its subsidiaries incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Parent Company and its Subsidiary Companies Incorporated in India as per the statutory requirements for record retention.

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No.104202W)

Dhiren K. Rathore
(Partner)
M. No: 115126
UDIN: 25115126BMOXXW6843

Place: Mumbai
Date: May 22, 2025

Annexure – "A" to the Consolidated Independent Auditors' Report

of even date on the Consolidated Financial Statements of Flair Writing Industries Limited

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of Flair Writing Industries Limited (hereinafter referred to as "Parent Company") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), which are companies incorporated in India, as of that date.

Management's and Board of Directors Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Parent Company and its subsidiary Companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Parent Company and its subsidiary Companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statement included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary Companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and accordingly to the explanations given to us, the Parent Company and its subsidiary Companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial Controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial controls with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No.104202W)

Dhiren K. Rathore
(Partner)
M. No: 115126
UDIN: 25115126BMOXXW6843

Place: Mumbai
Date: May 22, 2025

Consolidated Balance Sheet

as at March 31, 2025

(₹ in lakhs)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	1	39,552.00	30,111.79
b) Capital Work in Progress	1	2,297.68	2,017.16
c) Intangible Assets	1	140.21	170.70
d) Right-of-Use Assets	1	2,989.07	2,412.57
e) Goodwill	1	36.02	36.02
f) Financial Assets			
i) Loans	2	1.53	4.78
ii) Other Financial Assets	3	1,199.63	1,056.83
g) Current Tax Assets (Net)	4	9.21	9.21
h) Other Non-Current Assets	5	1,831.03	2,980.14
Total Non-Current Assets		**48,056.37**	**38,799.22**
Current Assets			
a) Inventories	6	28,705.74	22,646.05
b) Financial Assets			
i) Investment	7	3,102.70	-
ii) Trade Receivables	8	25,892.12	21,488.37
iii) Cash and Cash Equivalents	9	5,662.33	5,199.29
iv) Bank Balance other than (iii) above	10	5,756.84	18,217.35
v) Loans	2	35.26	40.12
vi) Other Financial Assets	3	582.74	829.70
c) Other Current Assets	5	4,019.16	3,563.31
Total Current Assets		**73,756.90**	**71,984.19**
Total Assets		**1,21,813.27**	**1,10,783.41**
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	11	5,269.77	5,269.77
b) Other Equity	12	96,578.60	84,623.94
Equity attributed to equity holders of the parent		1,01,848.37	89,893.71
Non Controlling Interest		(64.11)	(19.92)
Total Equity		**1,01,784.26**	**89,873.79**
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	2,120.75	3,067.36
ii) Lease Liabilities	14	2,452.90	2,026.94
iii) Other Financial Liabilities	15	7.34	46.56
b) Provisions	16	1,101.03	868.59
c) Deferred Tax Liabilities (Net)	17	746.25	788.94
d) Other Non-Current Liabilities	18	13.82	19.49
Total Non-Current Liabilities		**6,442.09**	**6,817.88**
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	844.09	1,242.57
ii) Lease Liabilities	14	765.14	547.81
iii) Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises;	19	2,381.96	1,794.30
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	19	3,011.26	4,769.81
iv) Other Financial Liabilities	15	3,339.72	3,469.94
b) Provisions	16	1,272.35	1,007.44
c) Other Current Liabilities	18	1,628.64	1,171.15
d) Current Tax Liabilities (Net)	20	343.77	88.71
Total Current Liabilities		**13,586.92**	**14,091.74**
Total Liabilities		**20,029.01**	**20,909.62**
Total Equity and Liabilities		**1,21,813.27**	**1,10,783.41**

The material accounting policies and accompanying notes are an integral part of the Consolidated Financial Statements (Note 1 to 47)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Consolidated Statement of Profit & Loss

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Particulars		Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
	INCOME				
1	Revenue from Operations		21	1,07,986.03	97,872.48
2	Other Income		22	2,459.74	1,452.90
	Total Income	**(A)**		**1,10,445.78**	**99,325.38**
3	**EXPENSES**				
	(a) Cost of Material Consumed		23	55,872.84	49,728.66
	(b) Purchases of Stock-in-Trade		24	1,433.69	717.39
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		25	(4,090.53)	(1,876.58)
	(d) Employee Benefits Expense		26	17,171.94	14,575.84
	(e) Finance Costs		27	526.09	1,015.01
	(f) Depreciation and Amortisation Expense		28	4,473.61	3,681.01
	(g) Other Expenses		29	19,123.85	15,603.04
4	**Total Expenses**	**(B)**		**94,511.49**	**83,444.37**
5	**Profit Before Tax**	**(C=A-B)**		**15,934.29**	**15,881.01**
6	**Tax Expense**				
	(a) Current Tax			4,070.40	4,154.97
	(b) Deferred Tax Expenses/(Credit)		17	(41.73)	(122.55)
	(c) Short/(Excess) Provision of tax relating to earlier years			(2.81)	0.47
	Total Tax Expense	**(D)**		**4,025.86**	**4,032.89**
7	**Profit for the year**	**(E=C-D)**		**11,908.43**	**11,848.11**
8	**Other Comprehensive Income**				
	Items that will not be reclassified to Statement Of Profit Or Loss				
	(a) Remeasurement (losses) on Defined Benefit Plan			(3.83)	(179.00)
	(b) Income Tax effect on the above			0.96	45.05
	Total Other Comprehensive Income for the year (Net of Tax)	**(F)**		**(2.87)**	**(133.95)**
9	**Total Comprehensive Income for the year**	**(G=E+F)**		**11,905.56**	**11,714.16**
10	**Profit for the year attributable to:**				
	Equity holders of the parent			11,957.52	11,895.83
	Non Controlling Interest			(49.09)	(47.72)
11	**Other Comprehensive Income for the year**				
	Equity holders of the parent			(2.87)	(133.95)
	Non Controlling Interest			-	-
12	**Total Comprehensive Income for the year**				
	Equity holders of the parent			11,954.66	11,761.88
	Non Controlling Interest			(49.09)	(47.72)
13	**Earnings Per Equity Share of face value of ₹ 5/- each**		30		
	Basic(In ₹)			11.35	12.19
	Diluted (In ₹)			11.35	12.19

The material accounting policies and accompanying notes are an integral part of the Consolidated Financial Statements (Note 1 to 47)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Consolidated Statement of Changes in Equity

a. Equity share capital:

(₹ in lakhs)

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2024	Changes in equity share capital during the year	Balance As at March 31, 2025
5,269.77	-	-	-	5,269.77

(₹ in lakhs)

Balance as at April 01, 2023	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
4,669.44	-	-	600.33	5,269.77

#The Company has issued 24,01,315 Equity Shares of face value ₹ 5 each at an issue price of ₹ 304 per equity share to Volrado Venture Partners Fund III – Beta pursuant to the Pre Initial public offer (Pre-IPO) placement aggregating to ₹ 7300 Lakhs on November 10, 2023. Subsequently, The Company has completed an Initial Public Offer("IPO") by way of fresh issue of 96,05,263 equity shares of face value ₹ 5 each at an issue price of ₹ 304 per equity shares aggregating to ₹ 29200 lakhs and an Offer for Sale of 99,01,315 equity Shares of face value ₹ 5 each for at an issue price of ₹ 304 per equity share aggregating to ₹ 30100 lakhs. The Equity shares of the Company were listed on National stock Exchange of India Limited (NSE) and BSE Limited (BSE) (hereinafter collectively referred as "Stock Exchanges") on December 01, 2023.

b. Other equity

(₹ in lakhs)

Particulars	Reserve & Surplus		Other Reserve	Total
	Retained Earning	Securities Premium	Other Comprehensive Income	
Balance as at April 1, 2023	**39,129.24**	**-**	**(303.59)**	**38,825.65**
Add : Profit for the period	11,895.83	-	-	11,895.83
Add : Issue of Equity Share	-	35,899.67	-	35,899.67
Less : Issue Expenses	-	(1,863.25)	-	(1,863.25)
Less : Other Comprehensive Income	-	-	(133.95)	(133.95)
Balance as at March 31, 2024	**51,025.07**	**34,036.42**	**(437.54)**	**84,623.94**
Add : Profit for the period	11,957.52	-	-	11,957.52
Add : Issue of Equity Share	-	-	-	-
Less : Issue Expenses	-	-	-	-
Less : Other Comprehensive Income	-	-	(2.87)	(2.87)
Balance As at March 31, 2025	**62,982.59**	**34,036.42**	**(440.41)**	**96,578.60**

The material accounting policies and accompanying notes are an integral part of the Consolidated Financial Statements (Note 1 to 47)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
A	**Cash Flows From Operating Activities**			
	Profit before tax		15,934.29	15,881.01
	Adjustments for:			
	Depreciation and amortization Expenses		4,473.61	3,681.01
	Finance Costs		526.09	1,015.01
	Allowances for Expected Credit Loss on Trade Receivables		27.42	-
	Premium/(Discount) on Forward Contract		3.02	(19.16)
	Rent Income		(137.85)	(132.60)
	Foreign Exchange Flactuation		(33.12)	(96.49)
	Sundry Balance written back		(2.12)	(5.48)
	Government Grant Income		(6.19)	(7.01)
	Loss of Goods Destroyed by Cyclone/In Transit		17.97	-
	Gain on Termination of Lease contract		(52.72)	-
	Interest Income		(1,425.43)	(681.12)
	Gain on Sale of Mutual Funds		(14.17)	(1.65)
	(Profit)/Loss on Sales of Property, Plant and Equipment		(3.38)	(3.20)
	Operating Profit before change in working capital		**19,307.42**	**19,630.31**
	Movements in working capital:			
	(Increase) in Inventories		(6,077.67)	(1,269.96)
	(Increase) in Trade Receivables		(4,398.05)	(4,324.71)
	(Increase)/Decrease in Loans		8.12	(9.18)
	(Increase)/Decrease in Financial and Other Assets		797.44	(3,709.16)
	Increase/(Decrease) in Trade Payables		(1,168.78)	213.00
	Increase in Provisions		497.35	474.44
	Increase in Financial and Other Liabilities		281.72	1,348.26
	Cash Generated From /(Used In) Operations		**9,247.54**	**12,353.01**
	Income Taxes Paid (Net)		(3,812.53)	(4,721.59)
	Net Cash Generated From / (Used In) Operating Activities	**(A)**	**5,435.00**	**7,631.42**
B	**Cash Flows From Investing Activities**			
	Purchase of Property, Plant and Equipment and Intangible Asset		(13,380.86)	(11,015.47)
	Sales of Property, Plant and Equipment		4.62	25.02
	Investment in units of Mutual Funds		(6,425.00)	(1,020.00)
	Redemption of Mutual Funds Investment		3,336.47	1,021.65
	(Increase)/Decrease In Bank Deposits And Other Bank Balances*		12,460.51	(18,216.85)
	Rent Income		137.85	132.60
	Interest received		1,425.43	681.12
	Net Cash Generated From / (Used In) Investing Activities	**(B)**	**(2,440.99)**	**(28,391.93)**
C	**Cash Flow From Financing Activities**			
	Proceeds from issue of Equity Share		-	36,500.00
	Share Issue Expenses		-	(1,863.25)
	Repayment of Borrowings		(1,345.09)	(7,249.23)
	Finance Costs Paid		(251.67)	(760.39)
	Receipt of Equity investment from Non-Controlling Interest		4.90	-
	Repayment of Principal Portion of Lease Liabilities		(939.12)	(746.24)
	Net Cash Generated From / (Used In) Financing Activities	**(C)**	**(2,530.98)**	**25,880.90**

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
D	**Net Increase in Cash and Cash Equivalents**	**(A+B+C)**	**463.04**	**5,120.39**
	Cash and Cash Equivalents at the Beginning of the Year		5,199.29	78.90
	Cash And Cash Equivalents at the End of the Year		**5,662.33**	**5,199.29**
	Components of Cash and Cash Equivalents			
	Cash on Hand		11.86	11.83
	Balances with scheduled banks			
	- in Cash Credit Accounts		1,350.61	178.18
	- in Current Accounts		285.89	3.09
	- in EEFC Account		9.40	0.60
	- Bank Deposits (Maturity less than 3 months)		4,000.00	5,000.00
	- in LC Margin Money		4.57	5.58
	Total Cash and Cash Equivalents		**5,662.33**	**5,199.29**

*Other bank balances includes an amount of ₹ 94.21 lakhs as at March 31, 2025 (Previous Year March 31, 2024:₹ 1873.35 lakhs) pertains to amount held in Public Issue Account towards issue expenses. This balance is restricted bank balance which is not available with the Company for its normal operating, investing and financing activities.

Note:

1) The cash flow statement has been prepared under the "Indirect Method" as set out Indian accounting Standard (Ind AS-7) statement of cash flow.

2) The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

The material accounting policies and accompanying notes are an integral part of the Consolidated Financial Statements (Note 1 to 47)

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

1. GROUP OVERVIEW

The Consolidated Financial Statement comprises financial statements of "Flair Writing Industries Limited" ('Parent Company') and its subsidiaries – Flair Writing Equipments Private Limited, Flair Cyrosil Industries Private Limited and Monterosa Stationery Private Limited (Collectively referred as "the Group") for the year ended March 31, 2025.

Flair Writing Industries Limited ("the Company") (CIN: L51100MH2016PLC284727) is a public limited Company Incorporated and domiciled in India and having its registered office at Flair House, Plot No. A/64, Cross Road-A, Marol Ind. Area, MIDC, Andheri (East), Mumbai, Maharashtra, India - 400 093. The Company has it's primary listing on the BSE Ltd and National Stock Exchange of India Limited.

Group Structure

Name of Company	Country of Incorporation	% Ownership held as at March 31, 2025	% Ownership held as at March 31, 2024
Flair Writing Equipments Private Limited	India	100%	100%
Monterosa Stationery Private Limited	India	100%	-
Flair Cyrosil Industries Private Limited	India	90%	90%

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

a) Statement of Compliance:

The Group prepares its Consolidated Financial Statements to comply with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III of Companies Act, 2013 (Ind AS compliant Schedule III). These Consolidated Financial Statements include Balance Sheet as at 31 March 2025, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the year ended 31 March 2025, and a summary of material accounting policy information and other explanatory information (together hereinafter referred to as "Financial Statements").

b) Basis of Consolidation

i) The Consolidated Financial Statements comprise the financial statement of the Parent Company along with its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-company balances and intra-group transactions.

ii) Profits or losses resulting from intra-group transactions that are recognised in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.

iii) The Audited Financial Statements of subsidiaries have been prepared in accordance with the Accounting Principles Generally Accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the relevant rules issued thereunder.

iv) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

v) The carrying amount of the parent's investment in subsidiaries is offset (eliminated) against the parent's portion of equity in subsidiaries.

vi) Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the company in order to arrive at the net income attributable to shareholders of the Company.

vii) Non-Controlling Interest's share of net assets of subsidiaries is identified and presented in the Consolidated Balance Sheet.

c) Basis of Measurement:

The financial statements for the year ended 31 March 2025 have been prepared on accrual basis following historical cost convention, except for the following financial assets and liabilities which have been measured at fair value at the end of each reporting period in accordance with IND AS.

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

- defined benefit plans – plan assets measured at fair value

Accounting policies and methods of computation followed in the financial statements are same as compared with the annual financial statements for the year ended 31 March 2024.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

d) Classification of Current / Non-Current Assets and Liabilities:

The Group presents assets and liabilities in the Balance sheet based on current / non-current classification. It has been classified as current or non-current as per the Group's normal operating cycle, as per para 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Operating Cycle:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e) Functional and presentation currency

These financial statements are presented in Indian Rupees (₹) which is the functional currency of the parent Company. All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest lakhs up to two decimal places, as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these financial statements.

2.2. Use of Estimates, Judgements and Assumptions

In the course of applying the policies outlined in all notes, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors (including expectations of future events) that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The Group uses the following critical accounting estimates in preparation of its financial statements:

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful life of Property Plant and Equipment and Intangible Assets:**

  Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful life and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

- **Recoverability of trade receivables**

  Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

- **Provisions**

  Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgements to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Application of Discount rates**

  Estimates of rates of discounting are done for measurement of fair values of certain financial assets and liabilities, which are based on prevalent bank interest rates and the same are subject to change.

- **Current versus Non-Current Classification**

  All the assets and liabilities have been classified as Current or Non-Current as per the Group's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

- **Impairment of Non-Financial Assets**

  The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-generating-unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds it recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount.

  The Group estimates the value-in-use of the Cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset/ CGU.

- **Impairment of Financial Assets**

  The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Provision for income tax and deferred tax assets**

  The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

2.3. PROPERTY,PLANT AND EQUIPMENT (PPE)

i. Tangible Assets

- **Freehold Land**

  Freehold Land is carried at historical cost.

- **Property, Plant and Equipment:**

  Property, plant and equipment are stated at historical cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

  Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

ii. Intangible assets

Intangible assets that are acquired are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and impairment loss if any. Subsequent

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

iii. Capital Work-in-Progress:

Capital Work-in-Progress includes expenditure during construction period incurred on projects are treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

iv. Depreciation/Amortisation:

Depreciation on Property, Plant and Equipment is provided using straight-line method. Depreciation is provided based on useful life of the assets as prescribed in accordance with the Part C of Schedule II of Companies Act, 2013.

The useful life of major assets is as under:

Assets	Useful life (in years)
Freehold Building	30
Furniture & Fixtures	10
Electrical Installation	10
Office Equipments	5
Plant & Machinery	15
Factory Equipments	5
Vehicles	8
Two Wheeler	10
Mould	8
Computer Equipments	3

Intangible assets are carried at cost and amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed. Amortisation of intangible assets is calculated over the managements' estimated useful life as mentioned below:

Assets	Amortised (in years)
Trademarks	10
Others	10

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on addition to assets or on sale/ discardment of assets, is calculated pro rata from the date of such addition or upto the date of sale/ discardment, as the case may be.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit and Loss when the assets is derecognized.

v. Impairment of Non-Financial Assets- Property, Plant and Equipment and Intangible Assets :

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.4. Finance Costs

Finance costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.5. Foreign Currency Transactions and Translation

The Group's financial statements are presented in INR, which is the Group 's functional currency.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss and costs that are directly attributable to the acquisition assets, are capitalized as cost of assets.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

2.6. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

I. In the principal market for the asset or liability, or

II. In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.7. Revenue from Operations

The Company derives revenues from sale of manufactured goods, traded goods and related services.

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract

Export Entitlements

Export entitlements such as duty drawback, Credit under MEIS, RODTEP etc are recognised as income when the right to receive the same as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate realization.

Contract balances and Trade receivables

A receivable represents the Group right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs under the contract.

Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

the financial asset to that asset's net carrying amount on initial recognition.

2.8. Tax Expenses

Income tax expense /income comprises current tax expense /income and deferred tax expense /income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In which case, the tax is also recognised directly in equity or other comprehensive income, respectively.

Current tax

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Current tax assets and liabilities are offset only if,

- the Group has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

2.9. Inventories

Inventories are stated at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the First In-First Out (FIFO) method.

Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10. Leases

As a Lessee:

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

I. the contact involves the use of an identified asset

II. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

III. the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

of the time pattern in which economic benefits from the leased asset are consumed.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

I. fixed lease payments (including in-substance fixed payments), less any lease incentives;

II. variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

III. the amount expected to be payable by the lessee under residual value guarantees;

IV. the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

V. payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

I. the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

II. the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

III. a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are presented as a separate line in the Balance Sheet. The right-of-use assets are initially recognised at cost which comprises of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

2.11. Provisions, Contingent Liabilities, Contingent Assets and Commitments

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

future events not wholly within the control of the Group. Contingent assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the Financial Statements where an inflow of economic benefit is probable.

2.12. Employee Benefits Expense

Employee benefits include bonus, compensated absences, provident fund, employee state insurance scheme and gratuity fund.

a) Short-term Employee Benefits

Liabilities for wages and salaries, bonus and ex gratia including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits and are recognised as an expense in the Statement of Profit and Loss as the related service is provided.

Certain employees of the Group are entitled to compensated absences based on statutory provisions. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post-Employment Benefits

I. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which a Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes contribution to provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance. Contribution paid or payable in respect of defined contribution plan is recognised as an expense in the year in which services are rendered by the employee.

II. Defined benefit plans

The Group 's gratuity benefit scheme is a defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains/losses and past service costs. The defined benefit obligation are calculated at balance sheet date by an independent actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

2.13. Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group‘s expected purchase, sale or usage requirements.

(i) Financial Assets

a. Initial Recognition and Measurement

All Financial Assets are initially recognized at Fair Value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities, which are not at Fair Value Through Profit or Loss (FVTPL), are adjusted to the Fair Value on initial recognition. Purchases and Sales of Financial Assets are recognized using trade date accounting.

b. Subsequent Measurement

1) Financial Assets carried at Amortised Cost

A Financial Asset is measured at amortised cost if it is held within a business model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

2) **Financial Assets at Fair value Through Other Comprehensive Income (FVOCI)**

A Financial Asset is measured at FVOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

3) **Financial Assets at Fair Value Through Profit or Loss (FVTPL)**

A Financial Asset which is not classified in any of the above categories is measured at FVTPL.

c. **Loans, Deposits and Receivable**

Loans and receivable are non-derivative financial assets with fixed or determinable payment that are not quoted in the active market. Such assets are carried at amortised cost using the effective interest method, if the time value of money is insignificant.

d. **Investment in Mutual Fund**

Mutual Funds are measured at fair value through profit and loss (FVTPL), with value changes recognised in Statement of Profit and Loss. However, Profit and Loss on mutual fund is recognised in the Statement of Profit and Loss at time of redemptions.

e. **Impairment of Financial Assets**

In accordance with Ind-AS 109, The Group uses "**Expected Credit Losses (ECL)**" model, for evaluating impairment of Financial Asset other than those measured at Fair Value Through Profit and Loss (FVTPL)

Expected credit losses are measured through a loss allowance at an amount equal to

- The 12- months expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Credit Loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable evidence including that which is forward-looking.

Trade Receivables

Customer Credit Risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis based on historical data. The Group is receiving payments from customers within due dates and therefore the Group has no significant Credit Risk related to these parties. The Group evaluates the concentration of risk with respect to trade receivables as low.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Other Financial Assets mainly consists of Security Deposit, other deposits, Interest accrued on Fixed Deposits, other receivables and Advances measured at amortized cost.

Following is the policy for specific financial assets:-

Type of financial asset	Policy
Security Deposit	Security deposit is in the nature of statutory deposits like electricity, telephone deposits. Since they are kept with Government bodies, there is low risk.
Grant receivable	Grant pertains to Government receivables. Hence there is no major risk of bad debts.
Loans to employees	The Group avails guarantee for loan provided to employees. In case of default in repayment of loan, the same is recovered from the salary of the guarantor.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Loans to employees The Group avails guarantee for loan provided to employees. In case of default in repayment of loan, the same is recovered from the salary of the guarantor.

(ii) Financial Liabilities

a. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees or recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

The Group's Financial Liabilities include trade and other payables, loans and borrowings including bank overdrafts and other payables, financial guarantee contracts and derivative financial instruments.

b. Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. De-recognition of Financial Instruments

The Group de-recognizes a Financial Asset when the contractual rights to the cash flows of the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. A Financial Liability (or part of Financial Liability) is de-recognized from the Group's Balance Sheet when obligation specified in the contract is discharged or cancelled or expires.

d. Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(iii) Derivative Financial Instruments and Hedge Accounting

The Group uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss. Foreign exchange forward contracts are mark-to-market as at Balance Sheet date and unrealized net gain or loss is recognized in the statement of profit and loss.

2.14. Cash and Cash Equivalents

Cash and Cash equivalents include Cash and Cheque in hand, Bank balances, Demand Deposits with Banks and other Short-Term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

2.15. Cash Flow Statement

Cash flows are reported using the Indirect Method where by the Profit Before Tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.16. Earnings Per Share

Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted Earnings Per Share

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

2.17. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

responsible for allocating resources and assessing performance of the operating segments of the Group.

2.18. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an Asset, it is recognized as Income over the expected useful life of the Asset. In case a non-monetary asset is given free of cost, it is recognized at a Fair Value. When Loan(s) or similar assistance are provided by the Government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is reduced from interest. The Loan or assistance is initially recognized and measured at Fair Value and the Government Grant is measured as the difference between the initial carrying value of the Loan and the proceeds received.

2.19 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

2.20 The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 1 : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Land – Freehold	Buildings	Plant and Machinery	Office Equipment	Factory Equipments	Computer Equipment	Furniture & Fixtures	Mould	Electrical Installation	Two Wheeler	Vehicles	Total
I. Gross Block												
Balance as on April 01, 2023	**2,388.34**	**4,591.44**	**17,373.69**	**158.49**	**826.64**	**264.66**	**768.90**	**7,513.79**	**1,162.25**	**20.39**	**1,152.47**	**36,221.06**
Additions	688.67	12.97	5,522.43	44.64	374.57	56.88	229.62	1,795.77	314.56	-	96.91	9,137.02
Deductions/adjustments	-	-	62.49	1.50	0.55	-	-	0.10	-	-	36.04	100.69
Balance as on March 31,2024	**3,077.01**	**4,604.41**	**22,833.62**	**201.63**	**1,200.65**	**321.54**	**998.52**	**9,309.47**	**1,476.81**	**20.39**	**1,213.34**	**45,257.39**
Additions	416.07	3,062.54	4,193.07	357.02	224.44	73.58	919.97	3,421.83	370.72	2.65	43.98	13,085.85
Deductions/adjustments	-	-	-	-	-	-	-	-	-	-	9.94	9.94
Balance as on March 31, 2025	**3,493.08**	**7,666.95**	**27,026.70**	**558.65**	**1,425.08**	**395.12**	**1,918.49**	**12,731.29**	**1,847.53**	**23.04**	**1,247.38**	**58,333.30**
II. Depreciation												
Balance as on April 01, 2023	**-**	**731.34**	**6,025.66**	**95.94**	**425.13**	**187.40**	**315.42**	**3,755.89**	**457.81**	**5.54**	**211.91**	**12,212.05**
Charge for the year	-	149.92	1,458.27	18.35	132.52	40.49	85.52	845.58	127.03	1.95	152.80	3,012.42
Deductions/adjustments	-	-	48.61	0.13	0.04	-	-	0.00	-	-	30.10	78.87
Balance as on March 31,2024	**-**	**881.26**	**7,435.32**	**114.16**	**557.61**	**227.89**	**400.94**	**4,601.47**	**584.84**	**7.49**	**334.61**	**15,145.60**
Charge for the year	-	179.15	1,727.26	48.55	171.49	52.36	122.70	1,042.28	147.06	2.06	151.49	3,644.41
Deductions/adjustments	-	-	-	-	-	-	-	-	-	-	8.70	8.70
Balance as on March 31, 2025	**-**	**1,060.41**	**9,162.58**	**162.72**	**729.10**	**280.25**	**523.65**	**5,643.75**	**731.90**	**9.54**	**477.40**	**18,781.31**
III. Net Block												
Balance as on March 31, 2025	**3,493.08**	**6,606.54**	**17,864.12**	**395.94**	**695.98**	**114.87**	**1,394.84**	**7,087.54**	**1,115.62**	**13.50**	**769.97**	**39,552.00**
Balance as on March 31,2024	**3,077.01**	**3,723.15**	**15,398.31**	**87.47**	**643.03**	**93.65**	**597.57**	**4,708.00**	**891.97**	**12.91**	**878.73**	**30,111.79**

Note: Movable Property, Plant and Equipment are hypothecated against cash credit facilities availed by the company amounting to ₹ 12150 lakhs and term loan.

Note 1 : Capital Work In Progress

(₹ in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital Work In Progress	2,297.68	2,017.16
Total	**2,297.68**	**2,017.16**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Ageing for CWIP as at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	2,156.74	140.95	-	-	2,297.68
Project is temporarily suspended	-	-	-	-	-
TOTAL	**2,156.74**	**140.95**	**-**	**-**	**2,297.68**

Ageing for CWIP as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	1,859.78	157.38	-	-	2,017.16
Project is temporarily suspended	-	-	-	-	-
TOTAL	**1,859.78**	**157.38**	**-**	**-**	**2,017.16**

There are no projects as on each reporting date where activity had been suspended. Also, there are no projects as on the reporting years which has exceeded cost as compared to its original plan or where completion is overdue.

Note 1 : Intangible Assets

(₹ in lakhs)

Particulars	Trade Mark	Web Designing	Total
I. Gross Block			
Balance as on April 01, 2023	**470.70**	**5.86**	**476.56**
Additions	21.34	-	21.34
Deductions/adjustments	-	-	-
Balance as on March 31,2024	**492.04**	**5.86**	**497.90**
Additions	11.49	3.00	14.49
Deductions/adjustments	-	-	-
Balance as on March 31, 2025	**503.52**	**8.86**	**512.38**
II. Depreciation			
Balance as on April 01, 2023	**272.06**	**4.69**	**276.75**
Charge for the year	49.97	0.47	50.44
Deductions/adjustments	-	-	-
Balance as on March 31,2024	**322.04**	**5.16**	**327.19**
Charge for the year	44.35	0.63	44.98
Deductions/adjustments	-	-	-
Balance as on March 31, 2025	**366.39**	**5.79**	**372.18**
III. Net Block			
Balance as on March 31, 2025	**137.14**	**3.07**	**140.21**
Balance as on March 31,2024	**170.00**	**0.70**	**170.70**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 1 : Rights-of-Use Assets

(₹ in lakhs)

Particulars	Leased Assets
I. Gross Block	
Balance as on April 01, 2023	**2,027.41**
Additions	2,282.98
Deductions/adjustments	-
Balance as on March 31,2024	**4,310.40**
Additions	1,637.19
Deductions/adjustments	276.48
Balance as on March 31, 2025	**5,671.11**
II. Depreciation	
Balance as on April 01, 2023	**1,279.67**
Charge for the year	618.16
Deductions/adjustments	-
Balance as on March 31,2024	**1,897.82**
Charge for the year	784.22
Deductions/adjustments	-
Balance as on March 31, 2025	**2,682.05**
III. Net Block	
Balance as on March 31, 2025	**2,989.07**
Balance as on March 31,2024	**2,412.57**

Note 1 : Goodwill

(₹ in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Gross carrying value(at cost)		
Balance at the beginning of the year	36.02	36.02
Acquired pursuant to business combination	-	-
Balance at the end of the year (a)	**36.02**	**36.02**
Accumulated impairment		
Balance at the beginning of the year	-	-
Impairment	-	-
Balance at the end of the year (b)	**-**	**-**
Net book value (a-b)	**36.02**	**36.02**

Note 2 : Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Non- Current		
Unsecured, Considered good		
Loans and Advances to Employees #	1.53	4.78
Total	**1.53**	**4.78**
Current		
Unsecured, Considered good		
Loans and Advances to Employees #	35.26	40.12
Total	**35.26**	**40.12**

Loans and Advances that fall under the category of 'Loans-Non-Current' are re-payable after more than 1 year. Further the said loans are carried at amortised cost.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 3 :Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non- Current		
Security Deposits	450.45	430.32
Bank Deposits (Maturity more than 12 months) #	378.24	295.84
Interest Receivable	49.28	27.72
Other Deposits	321.66	302.95
Total	**1,199.63**	**1,056.83**
Current		
Security Deposits	379.65	361.63
Interest Receivable	196.64	467.33
Derivatives Financial Assets	-	0.75
Other Deposits	6.45	-
Total	**582.74**	**829.70**
# includes deposits having restrictive use on account of:		
Pledged with Government Authorities	376.24	295.84

Note 4 :Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income Tax	9.21	9.21
Total	**9.21**	**9.21**

Note 5 : Other Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non- Current		
Capital Advances	1,596.62	2,651.03
Balances with Government Authorities	43.72	42.83
Prepaid Expenses	29.18	127.16
Insurance claim Receivable	161.51	159.12
Total	**1,831.03**	**2,980.14**
Current		
Advances to Suppliers and Others	1,529.14	1,044.99
Balances with Government Authorities	2,041.09	1,855.12
Prepaid Expenses	224.86	498.24
Others Receivable	224.07	164.96
Total	**4,019.16**	**3,563.31**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 6 : Inventories

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Inventories		
Raw and Packing Materials	10,713.43	8,463.40
Raw and Packing Materials (In Transit)	34.55	314.28
Semi-Finished Goods	9,872.75	7,741.37
Semi-Finished Goods (In Transit)	25.05	2.48
Finished Goods	7,379.10	5,387.81
Finished Goods (In Transit)	35.31	30.48
Stock of Spares	302.26	303.40
Finished Goods (Traded Goods)	343.30	402.82
Total	**28,705.74**	**22,646.05**

a) The Inventories have been valued as per Note 2(9) of Material Accounting Policies.

b) Inventories are hypothecated against cash credit facilities availed by the company totaling to ₹ 12150 lakhs.

c) The cost of inventories recognised as an expense during the year was ₹ 53216.00 lakhs (March 31, 2024: ₹ 48569.47 lakhs).

d) The Company has no write-down of inventory to net realisable value as at March 31, 2025 and March 31, 2024.

Note 7 : Investment

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Investment measured at Fair Value Through Profit and Loss (FVTPL)		
Quoted fully paid up		
Investment in Mutual Fund		
22,84,183.323 Units of Nippon India Liquid Fund-Growth Plan-Growth Option	3,102.70	-
	3,102.70	**-**
Aggregate amount of Quoted Investments	**3,102.70**	**-**
Aggregate amount of Quoted Investments - Market Value	**3,114.02**	**-**
Aggregate amount of Quoted Investments measured at Amortised Cost	**3,102.70**	**-**

Note 8 : Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good		
Trade Receivables [#] (Refer Note. 35 for Related Party Balances)	26,032.87	21,605.17
Less: Allowance for expected credit loss	140.75	116.80
	25,892.12	**21,488.37**

[#] Trade Receivables are hypothecated against cash credit facilities availed by the company amounting to ₹ 12150 lakhs.

The average credit period on sales of goods is 60-90 days.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Ageing for trade receivables – non-current outstanding As at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from the date of transactions					Total
	Less Than 6 Months	6 Month - 1 year	1-2 years	2-3 years	More Than 3 year	
Undisputed trade receivables – considered good	24,132.82	1,055.24	666.77	78.76	99.28	26,032.87
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	(0.46)	-	(20.13)	(20.88)	(99.28)	(140.75)
Total	**24,132.36**	**1,055.24**	**646.64**	**57.89**	**-**	**25,892.12**

Ageing for trade receivables – non-current outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from the date of transactions					Total
	Less Than 6 Months	6 Month - 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed trade receivables – considered good	20,889.92	488.06	122.66	30.92	73.61	21,605.18
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	(45.88)	-	(70.92)	(116.80)
Total	**20,889.92**	**488.06**	**76.78**	**30.92**	**2.70**	**21,488.37**

Note 9 : Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on Hand	11.86	11.83
Balances with Banks		
- In Cash Credit Accounts	1,350.61	178.18
- In Current Accounts	285.89	3.09
- In EEFC Accounts	9.40	0.60
- Bank Deposits (Maturity less than 3 months)	4,000.00	5,000.00
LC Margin Money	4.57	5.58
Total	**5,662.33**	**5,199.29**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 10 : Other Bank Balances

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
- Deposits with original maturity of more than three months but less than twelve months	5,662.63	16,344.00
- Balance In Escrow Account (Public Issue)	94.21	1,873.35
	5,756.84	**18,217.35**

Note 11 : Equity Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital		
11,00,00,000 Equity Shares of ₹ 5/- each	5,500.00	5,500.00
(P.Y. 11,00,00,000 Equity Shares of ₹ 5/- each)		
	5,500.00	**5,500.00**
Issued, Subscribed and Fully paid up		
10,53,95,378 Equity Shares of ₹ 5/- each fully paid up	5,269.77	5,269.77
(P.Y. 10,53,95,378 Equity Shares of ₹ 5/- each fully paid up)		
	5,269.77	**5,269.77**

a) Reconciliation of number of Shares outstanding

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Equity Shares :				
Balance as at the beginning of the year	10,53,95,378	5,269.77	9,33,88,800	4,669.44
Add: Shares issued during the year	-	-	1,20,06,578	600.33
Balance as at the end of the year	**10,53,95,378**	**5,269.77**	**10,53,95,378**	**5,269.77**

b) Details of Equity Shares held by Shareholders Holding more than 5% of the aggregate Shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	% of share Holding	Number of Shares	% of share Holding
Equity Shares				
Khubilal J. Rathod	1,65,92,235	15.74%	1,65,92,235	15.74%
Vimalchand J. Rathod	1,24,40,887	11.80%	1,24,40,887	11.80%
Rajesh K. Rathod	82,76,380	7.85%	82,76,380	7.85%
Mohit K. Rathod	82,76,380	7.85%	82,76,380	7.85%
Sumit V. Rathod	82,76,380	7.85%	82,76,380	7.85%
Nirmala K. Rathod	82,76,380	7.85%	82,76,380	7.85%
Manjula V. Rathod	82,76,380	7.85%	82,76,380	7.85%

c) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares with face value of ₹ 5/- each. Each Shareholder has a voting right in proportion to his/her Holding of the paid-up Equity share capital of the Company. Where Dividend is proposed by the Board of Directors, it is subject to the approval of the Shareholders in the Annual General Meeting (AGM), and in the case of Interim Dividend, it is ratified by the Shareholders at the Annual General Meeting.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

d) Share held by each promoter [as per section 2(69) of the Companies Act, 2013]:

Promoter Name	As at March 31, 2025			As at March 31, 2024		
	Number of Shares	% of share Holding	% change during the year	Number of Shares	% of share Holding	% change during the year
Equity Shares						
Khubilal J. Rathod	1,65,92,235	15.74%	0.00%	1,65,92,235	15.74%	-4.26%
Vimalchand J. Rathod	1,24,40,887	11.80%	0.00%	1,24,40,887	11.80%	-3.20%
Rajesh K. Rathod	82,76,380	7.85%	0.00%	82,76,380	7.85%	-2.15%
Mohit K. Rathod	82,76,380	7.85%	0.00%	82,76,380	7.85%	-2.15%
Sumit V. Rathod	82,76,380	7.85%	0.00%	82,76,380	7.85%	-2.15%
	5,38,62,262	**51.10%**		**5,38,62,262**	**51.10%**	

e) Information regarding issue of shares in the last five years

The Company alloted bonus shares in the ratio of 1:1 (i.e. 4,66,94,400 bonus shares of ₹ 5/- each fully paid up) to its existing shareholders in it's Board Meeting held on March 24, 2023.

Note 12 : Other Equity

(₹ in lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
i) Retained Earnings			
Balance at the beginning of the year		51,025.07	39,129.24
Add: Profit for the year		11,957.52	11,895.83
Balance at the end of the year	**(a)**	**62,982.59**	**51,025.07**
ii) Securities Premium			
Balance at the beginning of the year		34,036.42	-
Add: Issue of Equity share		-	35,899.67
Less: Utilized issue expenses*		-	(1,863.25)
Balance at the end of the year	**(b)**	**34,036.42**	**34,036.42**
iii) Other Comprehensive Income			
Balance at the beginning of the year		(437.54)	(303.59)
Remeasurement (losses) on Defined Benefit Plan		(2.87)	(133.95)
Balance at the end of the year	**(c)**	**(440.41)**	**(437.54)**
Balance at the end of the year	**(a+b+c)**	**96,578.60**	**84,623.94**

*Issue related expenses (net of GST) amounting to ₹ 1863.25 lakhs have been adjusted against securities premium account.

Note 13 : Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
Secured - at Amortised cost		
Term Loan - from Bank	263.20	299.45
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 35)	1,799.81	2,711.81
Loan from Related Parties (Refer Note 35)	57.73	56.10
Total	**2,120.75**	**3,067.36**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Secured - at Amortised cost		
Packing Credit - from Bank	-	500.00
Working Capital Loan- Cash Credit	698.32	223.17
Current maturities of Long term borrowings	145.19	370.53
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 35)	0.58	148.88
Total	**844.09**	**1,242.57**

(₹ in lakhs)

Nature of Borrowing	Name of the lender	Nature of Borrowing	Loan Currency	Amount outstanding as on March 31, 2025	Rate of Interest	Repayment terms
Packing Credit - from Bank	Citi Bank N.A.	PCRE	INR	-	6.31%	77 days
Car Loan	Axis Bank	Car Loan	INR	16.03	7.71%	60 Months
Car Loan	Axis Bank	Car Loan	INR	34.02	8.45%	37 Months
Car Loan	Axis Bank	Car Loan	INR	32.03	8.45%	37 Months
Cash Credit - from Bank	Citi Bank N.A.	Cash Credit	INR	387.87	8.90%	Revolving 365 days
Cash Credit - from Bank	Citi Bank N.A.	Cash Credit	INR	312.95	8.90%	Revolving 365 days
Overdraft from Bank	Axis Bank Ltd	Overdraft	INR	(2.50)	7.75%	Revolving 365 days
Term Loan - from Bank	Citi Bank N.A.	Term Loan	INR	-	8.60%	End to End tenor of 5 Years with 18 months moratorium Repayment will be quarterly basis
Term Loan - from Bank	Citi Bank N.A.	Term Loan	INR	326.32	T Bill + 2.5%	End to End tenor of 5 Years with quarterly rest and 6 Months moratorium

Note:

a) Refer Note 32 for information on Company's exposure to Interest rate, Foreign Currency and Liquidity risks.

b) Working Capital Loans from Bank are secured by hypothecation of all present and future Stock and Receivables, First exclusive charge on all present & future movable fixed assets.

c) Negative lien on immovable properties at:

Building at 708/1,708/2,708/3,708/4,708/6 & 709/12 &709 /18 Dabhel, District Daman owned by Flair Writing Industries Ltd.

d) The Unsecured Loan taken from Directors and related parties is subject to interest rate of 8.50% p.a to 9.00% p.a. The same is repayable upto Financial Year ending March 31, 2030.

e) The Company is fillng monthly statement for Inventories, Debtors and Creditors for Raw Material with Banks (Citi Bank N.A. & Axis Bank) for working capital facilities. The below is summary of reconcilliation of quarterly statement filed with the banks and books of accounts:

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Quarter ended on	Amount as per books of accounts	Amount as reported in the statements	Difference	Remarks
March 31, 2025	48,921.78	49,105.26	(183.48)	The Quarterly statement submitted with Banks were prepared and filed before the completion of all financial statement closure which led to the above differences between the books of accounts and quarterly statement submitted with Banks based on provisional books of account.
December 31, 2024	47,714.67	47,662.22	52.45	
September 30, 2024	43,578.97	43,328.28	250.69	
June 30, 2024	40,314.81	40,220.45	94.36	
March 31, 2024	40,751.63	40,756.19	(4.56)	
December 31, 2023	37,911.91	37,884.83	27.07	
September 30, 2023	38,385.01	37,848.60	536.42	
June 30, 2023	37,457.20	37,025.99	431.21	

Note 14 : Lease Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Lease Liabilities	2,452.90	2,026.94
Total	**2,452.90**	**2,026.94**
Current		
Lease Liabilities	765.14	547.81
Total	**765.14**	**547.81**

Note 15 : Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Retention money	7.34	46.56
Total	**7.34**	**46.56**
Current		
Retention money	100.96	5.27
Creditors for capital expenditure (including MSME Creditors)	678.86	232.71
Security Deposit Received	8.50	8.50
Derivatives Financial Liabilities	2.27	-
Other Payables	2,487.68	2,160.46
Issue Expenses Payables	61.45	1,063.00
Total	**3,339.72**	**3,469.94**

Note 16 : Provisions

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Provision for Employee Benefits (Refer Note 31)	1,101.03	868.59
Total	**1,101.03**	**868.59**
Current		
Provision for Employee Benefits (Refer Note 31)	1,272.35	1,007.44
Total	**1,272.35**	**1,007.44**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 17 : Deferred Tax Liabilities:

In accordance with Indian Accounting Standard -12 relating to "Income Taxes" the breakup of Deferred Tax Liabilities/(Assets) is as follows :

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities	746.25	788.94
	746.25	**788.94**

Movement in deferred tax balances for the year ended March 31, 2025

(₹ in lakhs)

Particulars	As at April 1, 2024	Deferred tax from subsidary company	Recognised in profit or loss	Recognised in OCI	As at March 31, 2025
Defered Tax Liabilities					
Property,Plant and Equipment and other Intangibles Assets	1,545.28	-	221.00	-	1,766.28
(A)	**1,545.28**	**-**	**221.00**	**-**	**1,766.28**
Defered Tax Assets					
Provision for Gratuity	348.66	-	75.56	0.96	425.18
Provisions for Employee benefit obligation	120.26	-	32.80	-	153.06
Others	112.98	-	2.94	-	115.92
B/F Losses and Unabsorbed Depreciation	174.45	-	151.42	-	325.86
(B)	**756.34**	**-**	**262.72**	**0.96**	**1,020.03**
Net Deferred tax Liablilities C = (A-B)	**788.94**	**-**	**(41.73)**	**(0.96)**	**746.25**

Movement in deferred tax balances for the year ended March 31, 2024

(₹ in lakhs)

Particulars	As at April 1, 2023	Deferred tax from subsidary company	Recognised in profit or loss	Recognised in OCI	As at March 31, 2024
Defered Tax Liabilities					
Property,Plant and Equipment and other Intangibles Assets	1,451.50	-	93.79	-	1,545.28
(A)	**1,451.50**	**-**	**93.79**	**-**	**1,545.28**
Defered Tax Assets					
Provision for Gratuity	254.02	-	49.58	45.05	348.66
Provisions for Employee benefit obligation	96.28	-	23.98	-	120.26
Others	96.49	-	16.49	-	112.98
B/F Losses and Unabsorbed Depreciation	30.45	-	143.99	-	174.45
(B)	**477.25**	**-**	**234.04**	**45.05**	**756.34**
Net Deferred tax Liablilities C = (A-B)	**974.24**	**-**	**(140.25)**	**(45.05)**	**788.94**
AMT-MAT Receivables	17.70	-	(17.70)	-	-
(D)	**17.70**	**-**	**(17.70)**	**-**	**-**
Total (C-D)	**956.54**	**-**	**(122.55)**	**(45.05)**	**788.94**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

Given that the Company does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 18 : Other Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Non - Current		
Government Grants #	13.82	19.49
Total	**13.82**	**19.49**
Current		
Statutory Remittances	956.26	764.11
Revenue received in advance		
- Others	666.52	400.66
Government Grants #	5.86	6.39
Total	**1,628.64**	**1,171.15**

Government Grants includes Subsidy Received on Capital Goods.

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
The movement of government grant is as below:		
Balance as at the beginning of the year	25.87	32.88
Add: Received during the year	-	-
Less: Government Grant recognised as income	6.19	7.01
Balance as at the end of the year	**19.68**	**25.87**

Note 19 : Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Outstanding Dues of Micro and Small Enterprises (Refer Note 35 for Related Party Balances)	2,381.96	1,794.30
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	3,011.26	4,769.81
Total (Refer Note 35 for Related Party Balances)	**5,393.22**	**6,564.11**

Ageing for trade payables outstanding As at March 31, 2025 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
- Micro, Small and Medium Enterprises	2,381.96	-	-	-	2,381.96
- Others	2,994.59	15.28	0.22	1.17	3,011.26
Disputed dues- Micro, Small and Medium Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**5,376.55**	**15.28**	**0.22**	**1.17**	**5,393.22**

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
- Micro, Small and Medium Enterprises	1,794.30	-	-	-	1,794.30
- Others	4,541.31	224.82	3.68	-	4,769.81
Disputed dues- Micro, Small and Medium Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**6,335.61**	**224.82**	**3.68**	**-**	**6,564.11**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

1) **Trade Payables are Non-Interest bearing and are normally settled within 45-90 days terms. Further Refer Note 33 for Maturity Pattern of Trade Payables.**

2) **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:**

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	2,379.77	1,791.27
- Interest	2.19	3.04
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Amount of payment made to the supplier beyond the appointed day during the year*	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.04	0.62
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purposes of disallowance of a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

* The payment was made beyond appointed day due to delay in receipt of invoices. Accordingly, management believes that no interest is payable on the same.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 20 : Current Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Tax Expenses (Net of Advance Tax)	343.77	88.71
Total	**343.77**	**88.71**

Note 21 : Revenue From Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Sale of Products		
Domestic	89,472.85	79,074.04
Export	17,429.12	17,830.76
b) Sale of Services	7.33	-
c) Other Operating Revenue		
Sale of Scrap	340.20	213.99
Export Incentives	736.53	753.70
Total	**1,07,986.03**	**97,872.48**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Disaggregation of revenue from contracts with customers		
Revenue from Operations		
Sale of Products		
Domestic	89,472.85	79,074.04
Export	17,429.12	17,830.76
Sale of Services	7.33	-
Other operating revenue	1,076.73	967.69
Total	**1,07,986.03**	**97,872.48**
b) Significant changes in the contract liabilities balances during the year		
Opening Balance	400.66	496.08
Add : Net additions during the year	652.09	312.58
Less : Revenue recognised during the year	386.23	408.00
Closing Balance	**666.52**	**400.66**
c) Contract liability (advance from customers)		
Advances from Customers	666.52	400.66
Total	**666.52**	**400.66**
d) Reconciliation of revenue as per contract price and as recognised in Statement of Profit and Loss		
Revenue from contracts with customers as per Contract price	1,08,863.10	99,048.50
Less : Discount, rebates, credits etc.	1,953.79	2,143.70
Add : Other operating revenue	1,076.73	967.69
Revenue from contracts with customers as per Statement of Profit and Loss	**1,07,986.03**	**97,872.48**

Note 22 : Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest		
- Bank	1,287.61	646.82
- Others	137.82	34.30
Other Non-Operating Revenue		
Government Grant Income	6.19	7.01
Gain On Foreign Currency Transactions (Net)	721.78	687.54
Labour Incentive	218.91	45.98
Premium/(Discount) on Forward Contract	-	13.24
Development Income	1.98	-
Tooling Amortisation Income	-	1.90
Rent	1.50	-
Other Non-Operating Income	83.95	16.10
Total	**2,459.74**	**1,452.90**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 23 : Cost of Materials Consumed

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year	8,777.68	9,470.93
Add. Purchase	57,843.14	49,035.42
Less. Inventories at the end of the year	10,747.98	8,777.68
Total	**55,872.84**	**49,728.66**

Note 24 : Purchase of Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchases of Stock-in-Trade	1,433.69	717.39
Total	**1,433.69**	**717.39**

Note 25 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year		
Semi- Finished Goods	7,743.85	6,935.59
Finished Goods	5,821.12	4,752.80
Total (A)	**13,564.97**	**11,688.38**
Inventories at the end of the year		
Semi- Finished Goods	9,897.79	7,743.85
Finished Goods	7,757.71	5,821.12
Total (B)	**17,655.50**	**13,564.97**
Total (A-B)	**(4,090.53)**	**(1,876.58)**

Note 26 : Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Wages and Bonus	15,528.67	13,177.89
Contribution to Provident Fund and others (Refer Note 31)	1,105.06	894.10
Gratuity (Refer Note 31)	405.35	296.40
Staff Welfare Expenses	132.86	207.45
Total	**17,171.94**	**14,575.84**

Note 27 : Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bank Interest	107.74	554.68
Interest on Right of Use Assets	274.42	254.63
Interest on Delay payment to MSME	2.34	3.59
Interest on Direct Tax / Indirect Tax	18.24	6.30
Borrowing Cost	123.36	195.81
Total	**526.09**	**1,015.01**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 28 : Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation and Amortisation Expenses	4,473.61	3,681.01
Total	**4,473.61**	**3,681.01**

Note 29 : Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Manufacturing Expenses		
Consumption of Stores and Spares	404.29	386.53
Electric Power, Fuel and Water	2,608.73	2,113.09
Factory Rent	11.20	6.40
Freight Inward	180.51	178.88
Job Work and Other Related Expenditure	5,570.73	3,948.58
Loading and Unloading Expenses	65.92	33.48
Machine and Mould Maintenance	1,079.10	787.32
Factory Expenses	390.44	298.83
Establishment Expenses		
Charity and Donation	285.60	163.60
Electricity Charges	37.19	49.18
Insurance Expenses	125.70	126.84
Legal & Professional Fees	890.40	677.53
Office Rent	1.99	2.83
Postage & Courier	99.22	80.82
Printing and Stationery	58.21	56.24
Miscellaneous Expenses	113.66	61.95
Bank Charges	20.43	51.96
Loss of Goods Destroyed by Cyclone/In Transit	17.97	-
Repairs & Maintenance		
Computer	113.12	85.14
Vehicles	94.70	93.40
Others	172.10	201.46
Telephone & Communication Charges	63.88	52.01
Travelling & Conveyance	1,585.75	1,305.15
Director's Travelling & Conveyance	222.67	181.41
Director's Sitting Fees	11.10	17.90
Payments to Auditor **(Refer Note 29.1)**	64.00	60.00
Selling and Distribution Expenses		
Advertisement Expenses	1,439.93	1,615.62
Allowance for expected credit loss on trade receivables	27.42	-
Sales Promotion & Marketing Expenses	311.06	261.73
Commission & Brokerage	321.96	430.57
Freight Outward	2,696.04	2,240.06
Export Expenses	38.81	34.53
Total	**19,123.85**	**15,603.04**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 29.1 Payments to Auditor

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As Auditors:		
Statutory Audit Fees	42.60	41.60
Taxation Matters	21.40	18.40
Total	**64.00**	**60.00**

Note 30 : Earnings per share (EPS)

In accordance with the Indian Accounting Standard -33 on "Earnings per Share" (EPS):

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Profit for the year (₹ in lakhs)	11,957.52	11,895.83
(b) Weighted Average number of Ordinary Shares outstanding for the purpose of Basic Earning per share (numbers)	10,53,95,378	9,75,81,261
(c) Effect of potential Equity shares on conversion of outstanding share warrants (numbers)	-	-
(d) Weighted average number of Equity Shares in Computing diluted earning per share (numbers) (b+c)	10,53,95,378	9,75,81,261
(e) Earning per share on profit for the year (Face Value ₹ 5 Per Share)		
- Basic (a/b) (in ₹)	11.35	12.19
- Diluted (a/d) (in ₹)	11.35	12.19

Note 31 : Gratuity and other post employment benefit plans

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

(a) Defined contribution plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employer's Contribution to Provident Fund	380.68	320.26
Employer's Contribution to Employee State Insurance Scheme	132.06	64.64
Employer's Contribution to Pension Scheme	592.32	509.20
Total	**1,105.06**	**894.10**

(b) Defined benefit plan

Post employment and other long term employee benefits in the form of gratuity are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The Company has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972.

The following tables summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit obligation.

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Defined Benefit obligation at beginning of the year	1,385.33	1,009.31
Add: Current Service Cost	261.79	222.56
Interest Cost	98.98	73.84
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	45.34	8.76
Actuarial loss / (gain) arising from change in demographic assumption	-	-
Actuarial loss / (gain) arising on account of experience variance	(41.51)	170.24
Past Service Cost	44.58	-
Benefits paid	(86.46)	(99.39)
Defined Benefit obligation at end of the year	**1,708.04**	**1,385.33**
Net liability is bifurcated as follows :		
Current	607.02	516.74
Non-current	1,101.03	868.59
Net liability	**1,708.04**	**1,385.33**

II) Reconciliation of opening and closing balances of Fair Value of Plan Assets

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair Value of Plan Assets beginning of the year	-	-
Investment Income	-	-
Employer's Contribution	-	-
Employee's Contribution	-	-
Benefits Paid	-	-
Return on plan assets , excluding amount recognised in net interest expense	-	-
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	-	-

III) Reconciliation of Fair Value of Assets and Obligations

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair Value of Plan Assets	-	-
Present Value of Obligation	1,708.04	1,385.33
Amount Recognised in Balance Sheet Surplus/(Deficit)	(1,708.04)	(1,385.33)

IV) Expenses recognised during the year

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
In Income Statement		
Current Service Cost	261.79	222.56
Interest Cost	98.98	73.84
Past Service Cost	44.58	-
Return on Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Net Cost	**405.35**	**296.40**

Notes to the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2025

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
In Other Comprehensive Income		
Actuarial (Gain)/Loss	3.83	179.00
Return on Plan Assets		
Net(Income)/Expenses for the year recognised in Other Comprehensive Income	**3.83**	**179.00**

V) **Investments details**

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Government securities	-	-
Public Securities	-	-
Others	-	-

VI) **Actuarial Assumptions**

(₹ in lakhs)

Mortality table (Indian assured lives mortality)	For the year ended March 31, 2025	For the year ended March 31, 2024
	(Ultimate)	**(Ultimate)**
Discount rate (p.a.)	6.50%	7.15%
Withdrawal Rate	50% of lower services reducing to 2% at higher services	50% of lower services reducing to 2% at higher services
Salary escalation (p.a.)	4.50%	4.50%

Sensitivity Analysis

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Assumptions -Discount rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	(1,672.03)	(1,356.71)
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	1,746.12	1,415.55
Assumptions - Salary Escalation rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	1,745.77	1,415.70
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	(1,671.86)	(1,356.32)

The estimates of rate of escalation in salary considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

The gratuity liabilities of the Company are unfunded and hence there are no assets held to meet the liabilities.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

The following payments are expected contributions to the defined benefit plan in future years

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Within the next 12 months (next annual reporting period)	607.02	516.74
Between 2 and 5 years	859.07	687.51
Beyond 5 years	988.47	861.87
Total expected payments	**2,454.56**	**2,066.12**
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	4 years	4 years

Note 32 : Financial Instruments

Fair Value Measurement Hierarchy

As at March 31, 2025

(₹ in lakhs)

Particulars	Carrying amount				Fair Value Measurement Hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade Receivables	-	-	25,892.12	25,892.12	-	-	25,892.12	25,892.12
Investment	-	-	3,102.70	3,102.70	-	-	3,102.70	3,102.70
Cash and Cash Equivalents	-	-	5,662.33	5,662.33	-	-	5,662.33	5,662.33
Other Bank Balance	-	-	5,756.84	5,756.84	-	-	5,756.84	5,756.84
Loans	-	-	36.79	36.79	-	-	36.79	36.79
Other Financial Assets	-	-	1,782.37	1,782.37	-	-	1,782.37	1,782.37
Total Financial Assets	**-**	**-**	**42,233.15**	**42,233.15**	**-**	**-**	**42,233.15**	**42,233.15**
Financial Liabilities								
Non-Current Borrowings	-	-	2,120.75	2,120.75	-	-	2,120.75	2,120.75
Current Borrowings	-	-	844.09	844.09	-	-	844.09	844.09
Lease Liabilities	-	-	3,218.04	3,218.04	-	-	3,218.04	3,218.04
Trade payables	-	-	5,393.22	5,393.22	-	-	5,393.22	5,393.22
Other Financial Liabilities	-	-	3,347.06	3,347.06	-	-	3,347.06	3,347.06
Total Financial Liabilities	**-**	**-**	**14,923.16**	**14,923.16**	**-**	**-**	**14,923.16**	**14,923.16**

As at March 31, 2024

(₹ in lakhs)

Particulars	Carrying amount				Fair Value Measurement Hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade Receivables	-	-	21,488.37	21,488.37	-	-	21,488.37	21,488.37
Investment	-	-	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	5,199.29	5,199.29	-	-	5,199.29	5,199.29
Other Bank Balance	-	-	18,217.35	18,217.35	-	-	18,217.35	18,217.35
Loans	-	-	44.91	44.91	-	-	44.91	44.91
Other Financial Assets	-	-	1,886.54	1,886.54	-	-	1,886.54	1,886.54
Total Financial Assets	**-**	**-**	**46,836.45**	**46,836.45**	**-**	**-**	**46,836.45**	**46,836.45**
Financial Liabilities								
Non-Current Borrowings	-	-	3,067.36	3,067.36	-	-	3,067.36	3,067.36
Current Borrowings	-	-	1,242.57	1,242.57	-	-	1,242.57	1,242.57
Lease Liabilities	-	-	2,574.75	2,574.75	-	-	2,574.75	2,574.75
Trade payables	-	-	6,564.11	6,564.11	-	-	6,564.11	6,564.11
Other Financial Liabilities	-	-	3,516.50	3,516.50	-	-	3,516.50	3,516.50
Total Financial Liabilities	**-**	**-**	**16,965.30**	**16,965.30**	**-**	**-**	**16,965.30**	**16,965.30**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs based on unobservable market data.

Valuation Methodology :

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

a) Fair valuation of Financial Assets and Liabilities with short-term maturities is considered as approximate to respective carrying amount due to the Short Term maturities of these Instrument.

b) The fair value is determined by using the valuation model/technique with observable inputs and assumptions.

c) The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates and yield curves at the balance sheet date.

d) The fair value of investment in Mutual Fund is measured at cost quoted price or NAV.

e) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis

Note 33 : Financial Risk Management

Risk Management Framework

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's Financial Risk Management Policy is set and governed by the Managing Director under the overall directions of the Board of Directors of the Company.

Market Risk is the risk of loss of future earnings, fair values or future cash flows, that may result from a change in the price of a Financial Instrument. The value of a Financial Instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes, that affect market risk sensitive instruments. Market Risk is attributable to all the market risk sensitive Financial Instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company's Board of Directors are responsible for the day to day working of the management and the overall working of the Company's Risk Management framework.

i) Credit Risk

Credit Risk is the risk that a customer or counterparty to a Financial Instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit Risk arises from Company's outstanding receivables from Customers.

The Company's exposure to Credit Risk is influenced mainly by the individual characteristics of each Customer. Credit Risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the Customers, to whom the Company grants credit in accordance with the terms and conditions and in ordinary course of its business.

The Risk Management Committee has established a Credit Policy under which each new customer is analysed individually for creditworthiness, before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the Company segments its Customers into Super Stockiest/ Distributors and Others, for credit monitoring.

For Trade Receivables, the Company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such Trade Receivables, wherever required and monitors the same at periodic intervals.

The Company monitors each Loan and advance given and makes any specific provision, as and when required.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of Trade Receivables and Loans and Advances

Trade Receivables

Customer Credit Risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis based on historical data. The Company is receiving payments from customers within due dates and therefore the Company has no significant Credit Risk related to these parties. The Company evaluates the concentration of risk with respect to trade receivables as low.

Ageing of Trade Receivables are as follows:

(₹ in lakhs)

Due from the date of Invoice	As at March 31, 2025	As at March 31, 2024
Less than 6 months	24,132.36	20,889.92
6 months to 12 months	1,055.24	488.06
beyond 12 months	704.53	110.40
Total	**25,892.12**	**21,488.37**

ii) Liquidity Risk

Liquidity Risk arises from the Company's inability to meet its cash flow commitments on time. Prudent Liquidity Risk Management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. In addition, processes and policies related to such risk are overseen by the Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Particulars	As at March 31, 2025	As at March 31, 2024
Unutilised credit limit from bank (₹ in lakhs)	12,060.30	11,966.87
Current Ratio	5.43	5.11
Liquid Ratio	3.30	3.38

Contractual Maturity profile of Financial Liabilities:

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the reporting date:

As at March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2025					
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	TOTAL
Financial liabilities						
Borrowings	734.43	109.66	263.20	1,857.55	-	2,964.84
Lease Liabilities	379.31	385.83	1,769.12	294.63	389.15	3,218.04
Trade payables	5,393.22	-	-	-	-	5,393.22
Other financial liabilities	3,337.45	-	7.34	-	-	3,344.79
	9,844.40	**495.50**	**2,039.67**	**2,152.18**	**389.15**	**14,920.89**
Derivative Liabilities	2.27	-	-	-	-	2.27
TOTAL	**9,846.67**	**495.50**	**2,039.67**	**2,152.18**	**389.15**	**14,923.16**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

As at March 31, 2024

(₹ in lakhs)

Particulars	As at March 31, 2024					
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	TOTAL
Financial liabilities						
Borrowings	1,083.03	159.55	299.45	-	2,767.91	4,309.93
Lease Liabilities	267.48	280.33	1,201.00	701.14	124.80	2,574.75
Trade payables	6,564.11	-	-	-	-	6,564.11
Other financial liabilities	3,464.67	-	51.83	-	-	3,516.50
	11,379.29	**439.87**	**1,552.27**	**701.14**	**2,892.71**	**16,965.30**
Derivative Liabilities	-	-	-	-	-	-
TOTAL	**11,379.29**	**439.87**	**1,552.27**	**701.14**	**2,892.71**	**16,965.30**

iii) Market Risk- Interest Risk

Interest Rate Risk can be either Fair Value Interest Rate Risk or Cash Flow Interest Rate Risk. Fair Value Interest Rate Risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash Flow Interest Rate Risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Interest Rate Exposure

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest Expense		
Loan from Banks	107.74	554.68
Unsecured loan from Directors & their relatives	121.73	168.15
Others	274.42	254.63
Total	**503.89**	**977.45**

Impact on Interest Expenses for the year on 1% change in Interest Rate

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
1% Change in increase in Interest Rate	5.04	9.77
1% Change in decrease in Interest Rate	(5.04)	(9.77)

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

iv) Market risk- Currency Risk

The Company operates internationally and a portion of the business is transacted in several currencies. Consequently, the Company is exposed to foreign exchange risk through its sales to overseas markets and purchases from overseas suppliers in various foreign currencies.

Exposure to currency risk

The details of unhedged foreign currency at the exchange rate at reporting date are:

(₹ in lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024				
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY	CNY
Financial assets									
Trade receivables	5,793.64	5.79	-	-	5,688.30	26.83	-	-	43.51
Other assets	1,209.00	-	637.22	53.68	2,903.02	33.39	2.50	-	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024				
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY	CNY
Financial liabilities					-	-	-	-	-
Trade payables	221.21	21.45	-	62.69	345.67	313.54	-	101.72	-
Other liabilities	621.88	-	-	-	365.79	-	-	-	-
Net Exposure	**6,159.54**	**(15.66)**	**637.22**	**(9.01)**	**7,879.86**	**(253.33)**	**2.50**	**(101.72)**	**43.51**

SENSITIVITY ANALYSIS

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges

(₹ in lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024				
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY	JPY
1% Depreciation in INR									
Impact on Profit & Loss	61.60	(0.16)	6.37	(0.09)	78.80	(2.53)	0.02	(1.02)	0.44
TOTAL	**61.60**	**(0.16)**	**6.37**	**(0.09)**	**78.80**	**(2.53)**	**0.02**	**(1.02)**	**0.44**
1% Appreciation in INR									
Impact on Profit & Loss	(61.60)	0.16	(6.37)	0.09	(78.80)	2.53	(0.02)	1.02	(0.44)
TOTAL	**(61.60)**	**0.16**	**(6.37)**	**0.09**	**(78.80)**	**2.53**	**(0.02)**	**1.02**	**(0.44)**

Sensitivity analysis is computed based on the changes in the receivables and payables in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

v) Commodity Risk

The Company's principle raw material(s) are a variety of Plastic Polymers which are primarily derivatives of Crude Oil. Company sources its raw material requirement from across the globe. Domestic market prices generally remains in sync with the International market prices.

Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent Currencies coupled with demand–supply scenario in the world market, affect the effective price and availability of Polymers for the Company. Company effectively manages availability of material as well as price volatility by expanding its source base, having appropriate contracts and commitments in place and planning its procurement and inventory strategy.The company financial risk management have developed and enacted a Risk Management strategy regarding Commodity Price Risk and its mitigation.

Note 34 : Income tax expense

(a) Amounts recognised in profit and loss

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Income tax	4,070.40	4,154.97
Deferred tax	(41.73)	(122.55)
Short/(Excess) Provision of tax relating to earlier years	(2.81)	0.47
Total Income Tax expenses	**4,025.86**	**4,032.89**

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Remeasurement (losses) on Defined Benefit Plan	(3.83)	(179.00)
Tax (expense)/ benefit	0.96	45.05
Net of tax	**(2.87)**	**(133.95)**

Notes to the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2025

(c) Reconciliation of effective income tax rate

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Profit before tax	15,934.29	15,881.01
Company's domestic tax rate	25.17%	25.17%
Income tax using the Company's tax rate	4,010.34	3,996.93
Tax effect of:		
Permanent disallowances	71.78	27.76
Timming Difference	(47.83)	37.97
Deferred tax	(41.73)	(122.55)
Short/(Excess) Provision of tax relating to earlier years	(2.81)	0.47
Others	36.10	92.30
Income tax as per Profit & Loss Account	**4,025.86**	**4,032.89**
Effective Tax Rate	**25.27%**	**25.39%**

Note 35 : Related Party Disclosure

(a) Other Related Parties with whom transactions have taken place:

Nature of Relationship	Name of Related Party
(i) Key Managerial Personnel (KMP)	Khubilal J. Rathod
	Vimalchand J. Rathod
	Rajesh Rathod
	Mohit Rathod
	Sumit Rathod
	Punit Saxena
	Manoj Lalwani
	Rajneesh Bhandari
	Sheetal B. Shetty
	Bishan Singh Rawat
	Deven Bipin Shah
	Mayur Gala
	Alpesh Porwal
	Vishal Chanda
(ii) Key Managerial Personnel (KMP) in step down subsidiary	Dipakbhai Himmatbhai Kaswala
	Manojkumar Lavjibhai Dobariya
	Nitin Jamanbhai Madhani
(iii) Relatives of Key Managerial Personnel	Nirmala Rathod
	Manjula Rathod
	Sangita Rathod
	Shalini Rathod
	Sonal Rathod
	Kiemaya Rathod
	Sunita Jain
	Jayesh Jain
(iv) Enterprises over which any person described in (i) and (ii) above is able to influence (The Enterprises):	Flair Pens Ltd.
	Pentel Stationery (India) Pvt. Ltd.
	Flair Pen & Plastic Industries
	Hauser Lifestyle Products
	Rathod N Rathod
	Flair Writing Aids

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

(b) Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2025	For the year ended March 31, 2024
1	**Sale of Goods**			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	58.78	136.77
2	**Purchase of Goods**			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	478.57	415.50
3	**Purchase of Fixed Assets**			
	Hauser Lifestyle Products	Enterprises over which Key Managerial Personnel are able to exercise significant influence	-	79.26
4	**Rent Expense**			
	Flair Pens & Plastic Industries	Enterprises over which Key Managerial Personnel are able to exercise significant influence	525.59	372.65
	Flair Pens Limited		203.25	188.72
	Rathod N Rathod		1.80	1.80
	Flair Writing Aids		18.00	18.00
	Khubilal J. Rathod	Key Managerial Personnel	3.90	6.68
	Vimalchand J. Rathod	Key Managerial Personnel	14.18	16.96
	Nirmala Rathod	Relative of KMP	51.90	47.38
	Manjula Rathod	Relative of KMP	51.90	47.38
5	**Rent Income**			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.50	-
	Flair Pens Ltd.		0.50	-
	Flair Pen & Plastic Industries		0.50	-
6	**Re-imburesement of Expenses (Paid)**			
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	10.11	13.28
	Jayesh Jain	Relative of KMP	0.76	0.35
7	**Re-imburesement of IPO Expenses (Paid)**			
	Khubilal J. Rathod	Key Managerial Personnel	-	289.89
	Vimalchand Rathod	Key Managerial Personnel	-	223.62
	Rajesh Rathod	Key Managerial Personnel	-	182.17
	Mohit Rathod	Key Managerial Personnel	-	182.17
	Sumit Rathod	Key Managerial Personnel	-	182.17
	Nirmala Rathod	Relative of KMP	-	182.17
	Manjula Rathod	Relative of KMP	-	182.17
	Sangita Rathod	Relative of KMP	-	91.08
	Shalini Rathod	Relative of KMP	-	91.08
	Sonal Rathod	Relative of KMP	-	91.08
8	**Re-imburesement of Expenses (Received)**			
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.94	-
9	**Power Charges**			
	Flair Writing Aids	Enterprises over which Key Managerial Personnel are able to exercise significant influence	3.35	10.58

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2025	For the year ended March 31, 2024
10	**Interest Expenses**			
	Khubilal J. Rathod	Key Managerial Personnel	9.78	2.64
	Vimalchand J. Rathod	Key Managerial Personnel	13.24	4.38
	Rajesh Rathod	Key Managerial Personnel	11.23	3.33
	Mohit Rathod	Key Managerial Personnel	21.28	2.20
	Sumit Rathod	Key Managerial Personnel	5.64	1.10
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel in Step down subsidiary	0.10	-
	Manojkumar Lavjibhai Dobariya	Key Managerial Personnel in Step down subsidiary	0.22	-
	Nitin Jamanbhai Madhani	Key Managerial Personnel in Step down subsidiary	0.10	-
	Nirmala Rathod	Relative of KMP	2.97	22.24
	Manjula Rathod	Relative of KMP	5.16	4.90
	Sangita Rathod	Relative of KMP	14.88	49.13
	Shalini Rathod	Relative of KMP	11.91	54.22
	Sonal Rathod	Relative of KMP	20.12	19.48
	Sunita Jain	Relative of KMP	2.68	2.73
	Kiemaya Rathod	Relative of KMP	2.41	1.81
11	**Director/Managerial Remuneration**			
	Khubilal J. Rathod	Key Managerial Personnel	72.60	57.00
	Vimalchand J. Rathod	Key Managerial Personnel	72.60	66.00
	Rajesh Rathod	Key Managerial Personnel	73.89	66.00
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel in Step down subsidiary	1.25	-
	Manojkumar Lavjibhai Dobariya	Key Managerial Personnel in Step down subsidiary	1.25	-
	Nitin Jamanbhai Madhani	Key Managerial Personnel in Step down subsidiary	1.25	-
	Mohit Rathod	Key Managerial Personnel	72.64	66.00
	Sumit Rathod	Key Managerial Personnel	72.64	66.00
	Mayur Gala	Key Managerial Personnel	22.84	60.00
	Vishal Chanda	Key Managerial Personnel	14.60	11.80
	Alpesh Porwal	Key Managerial Personnel	53.23	-
12	**Director/Managerial Commission**			
	Khubilal J. Rathod	Key Managerial Personnel	-	8.00
	Jayesh Jain	Relative of KMP	166.53	146.98
13	**Sitting Fees**			
	Punit Saxena	Key Managerial Personnel	3.50	4.00
	Manoj Lalwani	Key Managerial Personnel	1.80	4.00
	Sheetal B. Shetty	Key Managerial Personnel	1.30	1.60
	Rajneesh Bhandari	Key Managerial Personnel	2.40	3.60
	Bishan Singh Rawat	Key Managerial Personnel	-	4.70
	Deven Bipin Shah	Key Managerial Personnel	2.10	-
14	**Loan Taken**			
	Khubilal J. Rathod	Key Managerial Personnel	1,955.80	195.00
	Vimalchand J. Rathod	Key Managerial Personnel	1,593.07	144.90
	Rajesh Rathod	Key Managerial Personnel	1,374.15	1,078.55
	Mohit Rathod	Key Managerial Personnel	806.10	1,392.50
	Sumit Rathod	Key Managerial Personnel	635.15	44.55
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel in Step down subsidiary	64.88	-

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2025	For the year ended March 31, 2024
	Manojkumar Lavjibhai Dobariya	Key Managerial Personnel in Step down subsidiary	150.28	-
	Nitin Jamanbhai Madhani	Key Managerial Personnel in Step down subsidiary	67.58	-
15	**Loan Repaid**			
	Khubilal J. Rathod	Key Managerial Personnel	1,804.76	154.15
	Vimalchand J. Rathod	Key Managerial Personnel	1,393.39	135.50
	Rajesh Rathod	Key Managerial Personnel	1,477.65	925.83
	Mohit Rathod	Key Managerial Personnel	1,973.95	118.83
	Sumit Rathod	Key Managerial Personnel	456.59	92.43
	Nirmala Rathod	Relative of KMP	80.54	463.40
	Manjula Rathod	Relative of KMP	10.65	18.33
	Sangita Rathod	Relative of KMP	203.35	804.31
	Shalini Rathod	Relative of KMP	256.13	850.39
	Sonal Rathod	Relative of KMP	49.25	151.54

(c) Outstanding balances as at the year end

(₹ in lakhs)

Sr. No.	Nature of Balance outstanding	Type	As at March 31, 2025	As at March 31, 2024
1	**Trade Payables**			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	59.31	68.57
	Hauser Lifestyle Products		-	52.01
2	**Trade Recievables**			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	6.12	21.24
3	**Loan Outstanding (Liability)**			
	Khubilal J. Rathod	Key Managerial Personnel	302.08	151.04
	Vimalchand J. Rathod	Key Managerial Personnel	374.66	174.98
	Mohit Rathod	Key Managerial Personnel	157.47	1,325.32
	Rajesh Rathod	Key Managerial Personnel	126.83	230.33
	Sumit Rathod	Key Managerial Personnel	191.38	12.83
	Nirmala Rathod	Relative of KMP	19.19	99.73
	Manjula Rathod	Relative of KMP	57.22	67.87
	Sangita Rathod	Relative of KMP	49.27	252.62
	Shalini Rathod	Relative of KMP	40.75	296.88
	Sonal Rathod	Relative of KMP	198.21	247.50
	Sunita Jain	Relative of KMP	30.40	30.20
	Kiemaya Rathod	Relative of KMP	27.53	27.53
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel in Step down subsidiary	64.97	-
	Manojkumar Lavjibhai Dobariya	Key Managerial Personnel in Step down subsidiary	150.49	-
	Nitin Jamanbhai Madhani	Key Managerial Personnel in Step down subsidiary	67.68	-
4	**Rent Payable**			

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

(₹ in lakhs)

Sr. No.	Nature of Balance outstanding	Type	As at March 31, 2025	As at March 31, 2024
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	135.50	1.63
	Flair Writing Aids		-	0.27
5	**Rent Receivable**			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.59	-
6	**Director/Managerial Commission (Outsanding)**			
	Jayesh Jain	Relative of KMP	10.59	14.48

Note 36 : Capital Management

For the purpose of the Group capital management, Capital includes equity attributable to the equity holders of the Group and all other equity reserves. The primary objective of the Group capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023. Capital gearing ratio is net debt divided by total capital plus net debt and Net debt is calculated as loans and borrowings less cash and cash equivalent. The Group policy is to keep the gearing ratio at optimum level.

The following table summarizes the capital:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Gross Debt including lease liability		
Long Term Debt	2,120.75	3,067.36
Short Term Debt	844.09	1,242.57
Lease liability	3,218.04	2,574.75
Less: Cash and Cash Equivalents	5,662.33	5,199.29
Net Debt (A)	**520.56**	**1,685.40**
Total Equity (B)	**1,01,784.26**	**89,873.79**
Net Gearing Ratio (A/B)	**0.01**	**0.02**

Note 37 : Segment Reporting

Description of Segment and principal activities

As per Ind AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) the Group's chief operating decision maker, i.e. Managing Director ('CODM') has identified "Writing Instruments and its Allieds" as the reportable segments. Since the Group is having only one reportable segment hence disclosure requirement as per Ind AS 108 is not applicable.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Geographical Information

The following table provides an analysis of the Group's sales by region in which the customer is located, irrespective of the origin of the goods.

(₹ in lakhs)

Revenue from operations	Within India	Outside India	Total
For the year ended March 31, 2025	89,820.38	18,165.65	1,07,986.03
For the year ended March 31, 2024	79,288.02	18,584.46	97,872.48
Non-Current Assets*			
As at March 31, 2025	46,846.00	-	46,846.00
As at March 31, 2024	37,728.39	-	37,728.39

*Non-Current assets for this purpose excludes non-current financial assets, income tax and deferred tax assets.

Information about major customers

No single customer has accounted for more than 10% of the Group's revenue for the year ended March 31, 2025 and March 31, 2024.

Note 38 : Corporate Social Responsibility Expenditure(CSR)

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility (CSR) Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure.

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Amount required to be spent as per Section 135 of Companies Act, 2013	264.96	157.95
b) Amount Spent during the year		
i) Construction/Acquisition of assets	-	-
ii) On purpose other than above	282.64	148.63
c) Short/Excess amount spent under section 135 (5)		
i) Amount required to be spent during the year	264.96	157.95
ii) Actual amount spent/incurred during the year	282.64	148.63
Short/(Excess) amount spent	**(17.68)**	**9.33**
d) Nature of CSR activities	Education and Social welfare	
e) Details of related party transations in relation to CSR expenditure as per relevant Accounting Standard	-	-

Note 39 : Leases

Lease expenses which were recognized as other Expenses has been substituted with depreciation expense for right of use asset and finance cost for interest accrued on lease liability. The impact of adoption of this standard on Profits is as follows-

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Reduction in Lease Rental	(939.12)	(746.24)
b) Increase in Depreciation	784.22	618.16
c) Increase in Interest	274.42	254.63
Net Impact on Profit before Tax	**119.52**	**126.55**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 40 : Contingent Liabilities and Commitments

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
A. Contingent Liability		
a) Disputed GST, Excise and Service Tax Matters	1,102.59	1,015.59
b) Income Tax Matters	545.28	551.23
c) Letter of Credit	81.72	475.04
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:	1,758.13	2,392.71

The Group usually fulfills the obligation(s) in the subsequent years in ordinary course of business and hence no provision, for any contingent liability which would have arisen on completion of export obligations,has been made.

Note 41: Ratio Analysis

Ratio	Numerator	Denominator	2024-25 Ratio	2023-24 Ratio	Variance (in %)	Explanation for change in the ratio by more than 25%
Current Ratio (in times)	Current Assets	Current Liabilities	5.43	5.11	6.27%	
Debt-Equity Ratio (in times)	Total Debt	Total equity	0.06	0.08	-20.70%	
Debt service coverage ratio (in times)	Earning for Debt Service	Debt service	1.96	3.02	-34.98%	Decreased due to repayment of borrowings
Return on equity ratio (in %)	Profit attriutable to equity shareholder's	Shareholder's Equity	11.74%	13.23%	-11.28%	
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.56	5.08	-10.22%	
Trade Payable turnover ratio (in times)	Purchase	Average trade payables	9.91	7.70	28.74%	Increased due to increase in purchase
Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	3.18	3.26	-2.29%	
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	1.83	2.43	-24.74%	
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.07%	12.15%	-8.90%	
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed	15.13%	17.32%	-12.62%	
Return on investment (in %)	Gain on Sale of Mutual Funds	Cost of Investment	0.43%	0.16%	163.50%	Increased due to increase in profit

Note 42 : Additional regulatory information required by Schedule III of Companies Act, 2013

1) The Group does not have any Benami property or proceeding is pending against the Company for holding any Benami Property.

2) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

3) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

4) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

5) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

6) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

7) The Group is not declared as wilful defaulter by any bank or financial institution or government or any government authority.

8) The Group has no transactions with the companies struck off under Companies Act, 2013.

9) The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

10) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 1 to the financial statements, are held in the name of the Company.

11) The borrowings obtained by the Company from banks have been applied for the purposes for which it was taken.

Note 43 : Initial Public offer

During the year ended March 31, 2024, the Company has completed an Initial Public Offer(“IPO”) by way of fresh issue of 96,05,263 equity shares of face value ₹ 5 each at an issue price of ₹ 304 per equity shares aggregating to ₹ 29,200 lakhs and an Offer for Sale of 99,01,315 equity Shares of face value ₹ 5 each for at an issue price of ₹ 304 per equity share aggregating to ₹ 30,100 lakhs. The Equity shares of the Company were listed on National stock Exchange of India Limited (NSE) and BSE Limited (BSE) (hereinafter collectively referred as “Stock Exchanges”) on December 01, 2023.

The details of Utilisation of the IPO proceeds of ₹ 27,303.70 lakhs (net of estimated share issue expenses of ₹ 1,896.28 lakhs) is as follows:

Particulars	Amount utilized (₹ in lakhs)		
	IPO Proceeds (net)	Utilisation upto March 31, 2025	Unutilised amount March 31, 2025
Setting up new Valsad unit	5,599.30	519.37	5,079.93
Funding capital expenditure of the Company and it’s Subsidiary, Flair Writing Equipments Private Limited	8,674.80	6,265.43	2,409.37
Funding working capital requirements of the Company and it's Subsidiaries, Flair Writing Equipments Private Limited and Flair Cyrosil Industries Private Limited	7,700.00	7,700.00	-
Repayment/pre-payment, in part or full, of certain borrowings availed by the Company and Subsidiaries, Flair Writing Equipments Private Limited and Flair Cyrosil Industries Private Limited	4,300.00	4,300.00	-
General corporate purposes	1,029.62	1,029.60	-
Total	**27,303.72**	**19,814.42**	**7,489.30**

Out of net proceeds which were unutilised as at March 31, 2025 ₹ 7,489.30 lakhs were temporarily invested in deposit with banks.

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Note 44 : Salient Features of Financial Statements of Subsidiaries as per Companies Act, 2013

Additional information to be given under the Schedule III to the Companies Act, 2013 of Enterprises as subsidiary Company:

(₹ in lakhs)

Name of the Entity	As at March 31, 2025							
	Net Assets i.e. Total Assets Minus Liabilities		Share of Profit		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total Comprehensive Income	Amount
a) Parent								
Flair Writing Industries Ltd	98.31%	1,00,125.47	93.76%	11,211.27	100.00%	(2.87)	93.76%	11,208.41
b) Indian Subsidiary								
Flair Writing Equipments Private Limited (Consolidated)#	2.59%	2,642.08	10.00%	1,195.91	-	-	10.00%	1,195.91
Flair Cyrosil Industries Private Limited	-0.63%	(643.31)	-3.88%	(464.04)	-	-	-3.88%	(464.04)
Monterosa Stationery Private Limited	0.00%	3.93	0.02%	2.93	-	-	0.02%	2.93
c) Adjustments arising out of consolidation	-0.27%	(279.79)	0.10%	11.46	-	-	0.10%	11.46
Total (a+b+c)	**100.00%**	**1,01,848.37**	**100.00%**	**11,957.52**	**100.00%**	**(2.87)**	**100.00%**	**11,954.66**
d) Non-Controlling Interest		**(64.11)**		**(49.09)**		-		**(49.09)**

(₹ in lakhs)

Name of the Entity	As at March 31, 2024							
	Net Assets i.e. Total Assets Minus Liabilities		Share of Profit		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total Comprehensive Income	Amount
a) Parent								
Flair Writing Industries Ltd	98.91%	88,917.07	99.33%	11,816.46	100.00%	(133.95)	99.33%	11,682.50
b) Indian Subsidiary								
Flair Writing Equipments Private Limited	1.61%	1,446.17	4.10%	487.62	-	-	4.15%	487.62
Flair Cyrosil Industries Private Limited	-0.20%	(179.27)	-3.61%	(429.45)	-	-	-3.65%	(429.45)
c) Adjustments arising out of consolidation	-0.32%	(290.25)	0.18%	21.21	-	-	0.18%	21.21
Total (a+b+c)	**100.00%**	**89,893.71**	**100.00%**	**11,895.83**	**100.00%**	**(133.95)**	**100.00%**	**11,761.88**
d) Non-Controlling Interest		**(19.92)**		**(47.72)**		-		**(47.72)**

Notes to the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2025

Salient features of the Financial Statements of Subsidiary [Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014 -AOC-1]

(₹ in lakhs)

Name of Subsidiary	Flair Writing Equipments Private Limited		Flair Cyrosil Industries Private Limited		Monterosa Stationery Private Limited
Reporting Period	As at March 31, 2025 #	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025
The Date since which Subsidiary was acquired	04-Nov-19		30-Aug-22		29-Nov-24
Reporting Currency	INR	INR	INR	INR	INR
Equity Share Capital	1.00	1.00	400.00	400.00	1.00
Other Equity	2,641.08	1,445.17	(1,114.79)	(599.19)	2.93
Total Assets	20,701.66	11,630.95	9,296.65	6,205.93	80.17
Total Liabilities	18,052.21	10,184.78	10,011.44	6,405.12	76.24
Investments					
Revenue from Operation	14,369.18	8,134.01	2,771.04	549.35	230.38
Profit Before Tax	1,455.35	590.30	(622.46)	(575.78)	3.91
Provision for Tax	256.98	102.69	(106.85)	(98.61)	0.99
Profit After Tax	1,198.37	487.62	(515.60)	(477.17)	2.93
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-
Proposed Dividend	-	-	-	-	-
% of Share Holding	100%	100%	90%	90%	100%

Note : The consolidated financial statements of Flair Writing Equipments Private Limited have been considered for disclosure purpose from the FY 2024-25, as Flomaxe Stationery Private Limited became a subsidiary of Flair Writing Equipments Private Limited with effect from December 27, 2024.

Note 45 : Significant Events After The Reporting Period

The Board of Directors of Parent Company has recommended distribution of Dividend at rate of 20 % i.e. ₹ 1 per equity share of the face value of ₹ 5 for the financial year 2024-25, Subject to shareholders approval in ensuing Annual General Meeting (AGM).

Note 46

The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

Note 47

The financial statements were approved by the Board of Directors in their meeting held on May 22, 2025.

As per our attached Report of even date

For **Jeswani & Rathore**
Chartered Accountants
(Firm Reg. No. 104202W)

Dhiren K. Rathore
(Partner)
M.No. 115126

Place: Mumbai
Date: May 22, 2025

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary

Notes

Flair Writing Industries Limited

Registered Office:

63 B/C, Government Industrial Estate,
Charkop, Kandivali (West),
Mumbai - 400 067,
Maharashtra, India