



Flair Writing Industries Limited

(An ISO 9001:2015; ISO 14001 : 2015 & SA 8000 : 2014 Certified Company)

CIN NO.: L51100MH2016PLC284727

- 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/2026-27/27

Date: August 05, 2026

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 2025-26

The Tenth (10th) Annual General Meeting (AGM) of the Company is scheduled to be held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) on **Thursday, August 27, 2026 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 2025-26 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: 2026.08.05
19:18:51 +05'30'

Mr. Vishal Kishor Chanda
Company Secretary & Compliance Officer

Encl: as above

MUMBAI

Unit I, Trinity Ind. Park, Survey No. 14, 15, 16,
National Highway 8, Naigaon (E),
Palghar 401 208, Maharashtra, India

DAMAN

Unit II, Survey No. 709/12 & 18,
Somnath Road, Dabhel,
Daman 396 210, India

DAMAN

Unit III, Survey No. 377/1,
Plot No. 19 & 21, Zari Causeway Road,
Kachigam, Daman 396 210, India

DAMAN

Unit IV, Survey No. 370/2 A,
Vapi Road, Kachigam,
Daman 396 210, India

DEHRADUN

Khasra No. 1049/2, 1050/1,
Twin Industrial Estate, Central Hope Town,
Selaqui, Dehradun 248 011, Uttarakhand, India

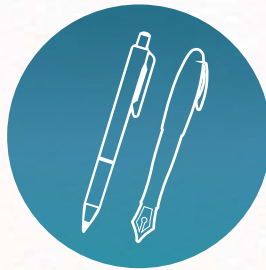
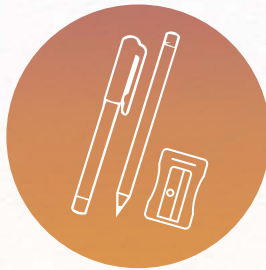
VALSAD

Survey No. 253, Village Shankar Talao,
National Highway 8,
Valsad 396 375, Gujarat, India



A Broader Canvas

Expand. Empower. Enable.



Flair Writing Industries Limited

Annual Report 2025-26



Navigate
through the

pages

Corporate Overview

pg. 02-52

The Many Dimensions of Growth Where We Began.	02
Where We Are Going	04
Where Ideas Take Shape	06
The Advantage We Have Built	08
How We Expanded Our Canvas	10
Chairman's Message	12
Managing Director's Message	14
The People Behind Our Progress	16
The Value We Created	20
From One Strength to Many	21
Flair World Class Pens	22
Hauser Germany	24
Pierre Cardin Paris	26
Flair Creative	28
Flair Electronic Calculators	32
Flair Steel Bottles and Designer Houseware	34
The Strengths Behind Our Success	36
Building Brands That Connect	38
The Power Behind Our Products	40
Powering the Future with Technology	42
Caring for Our Environment	44
Our People, Our Strength	46
Corporate Social Responsibility	48
Strength Through Governance	50
Awards & Recognition	52

Statutory Reports

pg. 54-135

Notice	54
Corporate Information	68
Board's Report	69
Management Discussion and Analysis	88
Business Responsibility & Sustainability Report	102
Corporate Governance Report	135

Financial Statements

pg. 159-220

Standalone	160
Consolidated	220



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



Scan the QR code to know more about the company

Some things are measured not by what they create, but by what they make possible.



A pen may write a word. But a word can shape a thought. A thought can spark an idea. An idea can change the course of a life.

For over five decades, our products have found their way into countless moments of learning, imagination and achievement. They have travelled through classrooms and boardrooms, across sketchbooks, diaries and desks, becoming a small yet meaningful part of people's journeys. Along the way, we discovered something profound: the value we create is not limited to what we make. It lives in what people are able to do because of it.

That understanding continues to guide us as we venture into new categories and new opportunities. While our portfolio grows and our reach extends further than ever before, our purpose remains deeply human —

to support creativity, encourage self-expression and simplify everyday life.

The road ahead offers more opportunities than any single product could contain, and we embrace it with the same curiosity, optimism and entrepreneurial spirit that have defined us since the beginning.

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.

The Many Dimensions of *Growth*

For over five decades, we have been a trusted name in writing instruments, building strong connections with generations of consumers through products that are part of everyday life. Over the years, our journey has extended beyond pens into creative stationery, steel bottles and designer houseware, reflecting our ability to evolve alongside changing consumer needs and aspirations.

Today, our portfolio spans multiple categories, supported by a deliberate focus on strengthening our own brands and expanding our presence in high-growth segments. Backed by advanced manufacturing capabilities, one of the deepest distribution networks in the industry and a steady stream of product innovation, we serve consumers across mass, mid-premium and premium segments.



Operational Highlights

8,000+

Distributors

3,30,000+

Wholesalers and retailers

166

Super-stockists

6,500+

Pin codes served



Financial Highlights

₹1,250.10 crores

Revenue from Operations

₹224.50 crores

EBITDA

₹141.30 crores

PAT

15.8%

Return on Capital Employed



Business at a Glance

2,762

Products offered

1250+

Sales and marketing team members

2.4 billion+

Installed annual manufacturing capacity (pieces)



ESG at a Glance

1.85 MW

Rooftop solar power installation

37%

Reduction in Scope 1 emissions

2.06 MTCO2e/in crore rupees of turnover

Scope 1 and Scope 2 emission intensity



Where We Began. Where We Are

Going

Founded in 1976, Flair has grown from a manufacturer of metal pens into one of India's recognised writing instruments and stationery companies, with a growing presence across international markets. Over the years, we have broadened our portfolio from writing instruments to include creative stationery, steel bottles and houseware products.

As our business has grown, so has our ability to serve a wider range of consumers across categories and geographies while continuing to focus on product quality, innovation and user-centric design. Our integrated manufacturing infrastructure, supported by automation and rigorous quality processes, enables us to produce at scale while maintaining the consistency and reliability that consumers associate with our brands.

Backed by decades of manufacturing expertise and a strong culture of product development, we remain focused on creating reliable, functional and thoughtfully designed products that fit seamlessly into everyday life. As consumer preferences continue to evolve, we remain committed to understanding their needs and delivering products that are relevant, accessible and built to last.

Our Own Brands



11

Manufacturing Facilities

115+

Countries Served

2,762

Products offered

Certifications



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

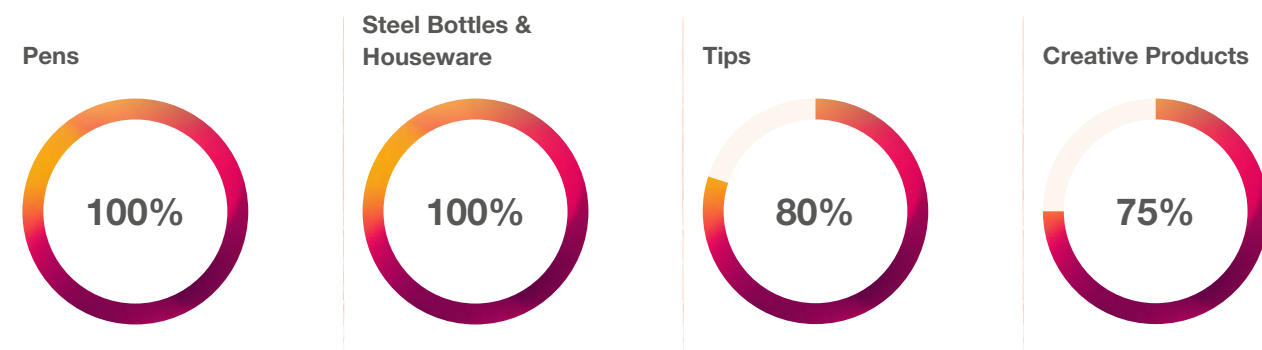
Where Ideas Take

Shape

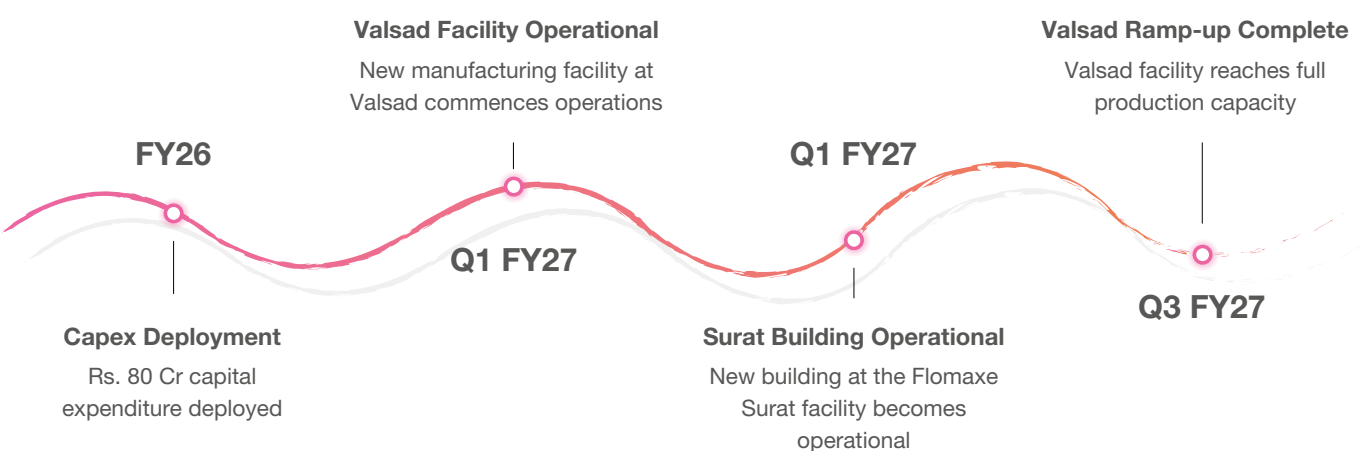
Our manufacturing network spans key locations across India, providing the scale and flexibility needed to serve a growing and diversified portfolio. With an installed manufacturing capacity of 2.40 billion pieces per annum, we manufacture writing instruments, creative products, calculators, steel bottles and houseware products.

A significant share of our production is carried out in-house, giving us greater control over quality, consistency and innovation while enabling faster response to evolving market requirements.

Manufacturing capability mix



Capacity expansion underway



Our presence

Gujarat

Location: Valsad
Units: 3
Pens, Creative Products, Steel Bottles & Housewares

Location: Surat
Unit: 1
Pencils & Creative Products

Daman and Diu

Location: Daman
Units: 5
Tips, Pens & Creative Products

Maharashtra

Location: Naigaon
Units: 1
Calculators & Metal Pens

Uttarakhand

Location: Dehradun
Units: 1
Pens

Map not to scale, for representation purposes only

The Advantage We Have

Built



Distribution reach

Our extensive network of distributors, dealers and retailers gives us a strong presence across India, while our growing international footprint enables us to reach consumers in markets around the world.



Manufacturing Excellence

Every brand in our portfolio, from mass-segment Flair to premium Pierre Cardin, is backed by in-house manufacturing infrastructure, giving us simultaneous control over quality, margins and product timelines.



Category expansion

Our distribution network now carries Creative stationery and Steel Bottles alongside our core pen business, giving every new category immediate market access from the moment of launch.



Brands strength

Across mass, mid-premium and premium segments, our brands carry strong consumer recall built through consistent product quality, giving us a durable starting point in every market we enter.



Technology & Innovation

Investments in automation, digital transformation and a strong R&D pipeline give us tighter quality control, faster decision-making and greater agility, positioning us to stay ahead as consumer needs evolve.



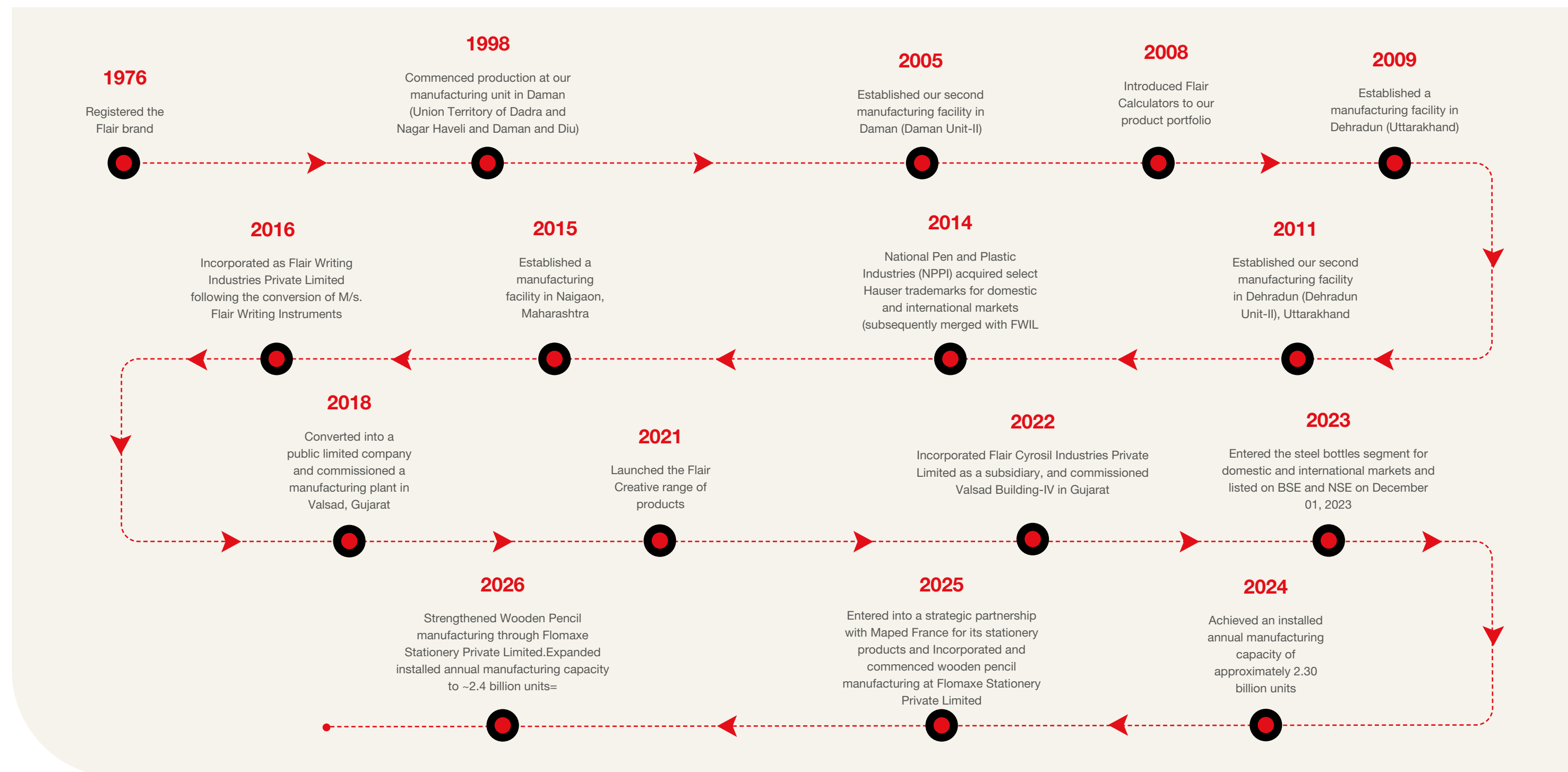
Financial discipline

We have consistently delivered among the highest margins in our industry while maintaining negligible debt, giving us the financial capacity to invest in new facilities, new categories and new markets.

How We Expanded Our

Canvas

What began as a single-brand writing instruments business has grown into a diversified consumer products company with a presence across multiple categories.



Chairman's Message

Dear Shareholders,

Over the years, Flair has built a trusted legacy of strong brands, while continually expanding its reach and strengthening its manufacturing capabilities. What began with an entrepreneurial vision has grown into a company that serves generations of consumers across India and international markets.

At the heart of our story is a simple product with an enduring purpose. A pen continues to be a tool of learning, communication, creativity and self-expression, carrying ideas from thought to action. Its significance goes far beyond writing and continues to shape how we understand our consumers, the categories we serve, and the opportunities we choose to pursue.

For more than five decades, Flair has grown alongside a changing India. As literacy improved, education reached more communities and aspirations grew across generations, the simple act of writing remained an integral part of learning, creativity and progress. Through every stage of this revolution, we adapted to changing consumer needs while staying true to the values on which Flair was built.

Growing with Changing Times

One of the enduring strengths of the stationery industry is its ability to evolve with changing consumer needs and aspirations. While digital technologies have reshaped many aspects of everyday life, writing continues to play an essential role in education, creativity and communication. At the same time, consumers are looking for products that combine functionality, thoughtful design, quality and value, creating opportunities across both established and emerging categories.

Against this backdrop, FY26 was another year of encouraging progress for Flair. The continued expansion of our Creative Products portfolio and the growing scale of our Steel Bottles and Houseware business extended our presence beyond writing instruments. Together, these businesses allowed us to reach more consumers and serve a wider range of everyday needs while staying true to the strengths that have made Flair over the years.



We believe growth is about more than just business performance. It is also about making a meaningful difference in the communities around us and using resources responsibly with the future in mind.

Khubilal Jugraj Rathod
Chairman

Building Scale in Creative Products and Steel Bottles

Having established a strong position in writing instruments, we are now focused on extending that success into adjacent categories. Creative products and steel bottles represent significant growth opportunities, and we are entering these businesses with the same long-term approach that has shaped our leadership in writing instruments. Backed by our manufacturing capabilities, wide distribution network and understanding of consumer preferences, we are well-positioned to create great value in the steel bottle segments. Today, our portfolio extends across writing instruments, creative products, stationery solutions and lifestyle offerings. Flair Creative has grown into an important business, serving students, artists and young consumers through a wide range of products including crayons, watercolours, sketch pens, geometry instruments, art materials and related stationery products. Our Steel Bottles and Houseware business has also established a growing presence across modern trade and other channels.

Strategic partnerships have also played an important role in broadening our portfolio. Our association with Maped, a leading French Company allows us to serve consumers with differentiated products across multiple categories, while our Disney licensing arrangement has enabled us to create products that connect with younger consumers through globally recognised characters and experiences. Together, these initiatives reflect how Flair has grown into a broader consumer products Company.

Built for the Long Term

Many of the strengths that define Flair today are the result of decisions made with the future in mind. Over the years, we have invested in manufacturing capabilities, product development and integrated operations to build greater control over quality, consistency and scale.

Today, our manufacturing network spans facilities across Daman, Valsad, Dehradun, Naigaon and Surat, supporting the production of writing instruments, creative products, and houseware & steel bottles. During FY26, the commencement of wooden pencil manufacturing at Surat marked another important step in expanding our stationery portfolio, while investments in capacity expansion at Surat and Valsad prepared us to meet future demand. Together, these capabilities help us to serve consumers across categories with consistent quality and dependable delivery.

Rooted in India, Reaching the World

Our products are now available in more than 115 countries, a reflection of our manufacturing capabilities and the long-standing customer relationships we have built with customers around the world. We continue to hold a leading position in exports and have been recognised as one of the top three players in India's writing instruments industry. As exports continue to be an important part of our business, we are steadily expanding the presence of our own brands across international markets by broadening our product offerings, strengthening distributor relationships and building stronger connections with consumers across geographies. Building a lasting global presence takes patience, consistency and a clear understanding of local market needs, and we remain committed to that vision.

Growing with Responsibility

As businesses grow and markets evolve, new opportunities bring new challenges. Changing consumer preferences, greater competition across categories, increasingly complex supply chains and an evolving business environment call for organisations to adapt while staying disciplined.

At Flair, good governance helps us maintain that balance. We believe entrepreneurial vision and strong governance go hand in hand. While the promoter group brings continuity and a long-term perspective, our Board provides independent oversight, broad experience and thoughtful judgement. Together with well-defined processes, strong internal controls and responsible decision-making, it helps us to navigate change while continuing to build lasting value.

Making a Difference Beyond Our Business

We believe growth is about more than just business performance. It is also about making a meaningful difference in the communities around us and using resources responsibly with the future in mind.

During FY26, we continued to support education, community development and social welfare initiatives. An important milestone was the development of the Shri Jugraji Shrichandji Rathod Memorial School at Sadri, Rajasthan, a project that will provide modern educational infrastructure for future generations of students. We also extended our support to initiatives across healthcare, education and community welfare.

Alongside these efforts, we continued to improve operational efficiency and adopt more responsible manufacturing practices. Initiatives such as rooftop solar installations and resource-efficiency measures are part of our ongoing efforts to build a more sustainable organisation. We believe the best outcomes are achieved when business growth and community development progress together.

Looking Forward with Confidence

As we look ahead, our ambition is about more than building a larger company. We want to be known as an institution for trust, innovation, quality, integrity and a relentless commitment to excellence.

An expanding portfolio, stronger manufacturing capabilities, a growing international reach and a wider consumer base give us every reason to look ahead with confidence.

On behalf of the Board, I extend my sincere gratitude to our employees, customers, distributors, business partners, shareholders and all our stakeholders for their continued trust and support.

As stewards of a company built over five decades, our responsibility goes beyond the next year or the next business cycle. It is to preserve the values that define Flair, build on the foundations that have brought us here and ensure the Company is ready for the opportunities that the years ahead will bring.

Warm regards,

Khubilal Jugraj Rathod
Chairman

Managing Director's Message

Dear Shareholders,

This year was special for Flair. As we completed five decades of our journey, we found ourselves reflecting not only on how far we have come but also on how much the business has evolved, building trusted brands, expanding consumer reach and strengthening manufacturing capabilities. More importantly, it was a year of strong execution as we continued our journey towards becoming a diversified, own-brand-led consumer products company. Through sustained investments in our brands, manufacturing integration, distribution, innovation and product development, we further strengthened our Writing Instruments, Creative products and Steel Bottles & Houseware businesses while expanding our presence across domestic and international markets. The progress we made during the year reflects the strength of our business model and gives us confidence as we move into the next phase of our growth.

Creating New Pathways for Growth

Over the last few years, we have steadily transformed Flair into a more diversified, own-brand-led business. During FY26, own brands contributed over 90% of our revenue, reflecting the strength of our portfolio and the trust consumers place in our brands. Alongside our leadership in Writing Instruments, we continued to grow our Creative Products and Steel Bottles & Houseware businesses, creating multiple growth drivers and broadening our addressable market. Today, Creative products and Steel Bottles & Houseware together contribute 31% of our revenue, highlighting the success of our diversification strategy and the growing contribution of businesses beyond Writing Instruments.

Writing Instruments remained the foundation of our business and continued to benefit from our focus on premiumisation, innovation and product differentiation. Through Flair, Hauser, and Pierre Cardin, we strengthened our presence across the mass, mid-

premium, and premium segments while expanding our portfolio to 2,762 SKUs. Backed by extensive in-house manufacturing capabilities, including pen tip manufacturing, we continued to improve product consistency, speed up innovation and enhance the overall writing experience for consumers.

The Creative business delivered another year of exceptional growth and emerged as one of the strongest contributors to our performance during FY26. The segment grew 74% during the year as we launched 29 new products, expanded our presence across the school and art ecosystem and commenced in-house wooden pencil manufacturing at our Surat facility. Supported by our distribution strengths and integrated manufacturing capabilities, we continued to scale the business while strengthening our position in the broader stationery market.

Our Steel Bottles & Houseware business also gained strong momentum during FY26. The category nearly doubled during the year as we expanded our portfolio across bottles, mugs, containers and allied products. Backed by our BIS-certified manufacturing capabilities, product innovation and a dedicated distribution team, we strengthened our presence across modern trade and other key channels while continuing to build a meaningful lifestyle product business.

International markets remained an important part of our business. During the year, own-brand exports continued to gather momentum and outpaced OEM exports, indicating the growing acceptance of our brands across global markets. Today, Flair products are available in more than 115 countries, supported by long-standing customer relationships, consistent product quality and a diversified portfolio tailored to the needs of different markets.

Performance that Speaks for Itself

The momentum we built across our businesses during the year was reflected in another year of strong financial performance. As our own brands continued to gain share, newer categories scaled up and operational efficiencies improved, we delivered healthy growth while maintaining a disciplined approach to profitability.

Revenue from operations increased to Rs.1,250.10 crore, registering a growth of 15.8% over the previous year. EBITDA rose to Rs.224.50 crore, supported by an improving business mix, manufacturing integration and continued operational efficiencies. Profit After Tax increased to Rs.141.30 crore during FY26, reflecting the steady progress we made across our key business segments.

Our focus has always been on building a business that grows responsibly while creating long-term value. This was reflected in another year of improving profitability, with Gross Margin increasing to 51.0%, EBITDA Margin expanding to 18.0%, and PAT Margin improving to 11.3%.

Creating with Greater Capability

Our integrated manufacturing platform remains one of the key drivers of our growth. During FY26, we continued to invest in

manufacturing infrastructure across Valsad and Surat, including Rs.60 crore towards the expansion of our Valsad facility and Rs.20 crore at Surat. With an installed capacity of 2.40 billion pieces annually and extensive in-house manufacturing capabilities across writing instruments, creative products and steel bottles, we are better positioned to maintain quality, respond quickly to market needs and improve supply chain reliability.

Innovation continues to shape the way we develop our products and brands. Our teams across product development, design, category management and consumer insights work closely with consumers, distributors and retailers to introduce differentiated offerings that remain relevant to changing market preferences. During the year, we also expanded our consumer connect through strategic collaborations. Our association with Disney helped us engage younger consumers through branded stationery offerings, while our partnership with Mapped broadened our portfolio and strengthened our presence in the mid-premium segment.

Turning Plans into Progress

FY26 was a year of steady progress across our key focus areas. We continued to advance premiumisation across our product categories, expanded our integrated manufacturing capabilities, widened our market reach through a distribution network of over 8,000 distributors, 3.30 lakh wholesaler & retailers and 6,500+ pin codes, and grew our own-brand business across domestic and international markets. Together, these efforts are helping us build a broader, more balanced business that is well placed for long-term growth.

The Road Ahead

In FY27, our priorities are clear. We will continue to build our leadership in Writing Instruments, grow our Creative products and Steel Bottles & Houseware businesses, improve manufacturing utilisation, widen our distribution network, invest in product innovation and expand the presence of our own brands across international markets.

To everyone Who Made This Possible

I would like to thank our employees, distributors, retailers, suppliers, customers and shareholders for their continued trust and support.

As we look to the future, we do so with stronger manufacturing capabilities, a broader product portfolio, a growing international presence and a business that is creating opportunities across multiple categories.

Warm Regards,

Vimalchand Jugraj Rathod
Managing Director



Flair products are available in more than 115 countries, supported by long-standing customer relationships, consistent product quality and a diversified portfolio tailored to the needs of different markets.

Vimalchand Jugraj Rathod
Managing Director

The People Behind Our *Progress*



Mr. Khubilal Jugraj Rathod
Chairman

A first-generation entrepreneur with over five decades of experience in the writing instruments industry. His entrepreneurial vision and unwavering focus on quality manufacturing have helped shape Flair into one of India's leading writing instruments and stationery companies.



Mr. Vimalchand Jugraj Rathod
Managing Director

A Fellow Member of the Institute of Chartered Accountants of India with more than 43 years of industry experience. He has played a central role in strengthening the Company's growth trajectory, export business and operational capabilities.



Mr. Rajesh Khubilal Rathod
Whole-time Director

With over 35 years of experience in the writing instruments industry, he leads the Company's international sales and marketing operations. His efforts have contributed significantly to expanding Flair's presence across global markets and strengthening its export business.



Ms. Sheetal Bhanot Shetty
Independent Director

An experienced professional with expertise in governance and stakeholder engagement. Her insights and perspectives contribute to balanced decision-making and the creation of sustainable long-term value.



Mr. Punit Saxena
Independent Director

A seasoned business leader with extensive experience across infrastructure, technology and public sector enterprises. His understanding of governance, strategy and institutional leadership adds valuable perspective to Board deliberations.



Mr. Deven Bipin Shah
Independent Director

A Chartered Accountant with over 25 years of experience in audit, taxation and advisory services. He brings strong financial acumen and governance expertise, supporting effective oversight and informed decision-making.



Mr. Sumit Vimalchand Rathod
Whole-time Director

He leads new business development, manufacturing operations and process improvement initiatives. He has played an important role in the Company's expansion into steel bottles and houseware products while enhancing operational efficiency.



Mr. Mohit Khubilal Rathod
Whole-time Director

He oversees product development as well as domestic sales and marketing functions. His leadership has supported portfolio expansion, stronger brand visibility and the introduction of innovative products across categories.



Mr. Rajneesh Bhandari
Independent Director

An engineering professional with leadership experience across healthcare and telecommunications sectors. He contributes strategic insight and operational expertise, enriching the Board's discussions on business growth and transformation.



Mr. Manoj Vinod Lalwani
Independent Director

A plastics engineering specialist with extensive experience in manufacturing and polymer technologies. His technical knowledge supports the Company's focus on product development, quality and manufacturing excellence.

The team Driving Our Business



Mr. Jatin Chadha
Chief Operating Officer

A seasoned operations professional with expertise across technology, engineering and business management. He leads the Company's operations function, with a focus on enhancing productivity, improving process efficiency and strengthening operational performance.



Mr. Alpesh Porwal
Chief Financial Officer

A seasoned finance professional with expertise in financial management, strategic planning, business transformation, and corporate governance. As Chief Financial Officer, he leads the Company's finance function, overseeing financial planning, treasury, taxation, compliance, risk management, and investor relations. He plays a key role in strengthening financial discipline, promoting robust governance practices, and driving sustainable long-term value creation for all stakeholders.



Mr. Vishal Kishor Chanda
Company Secretary and
Compliance Officer

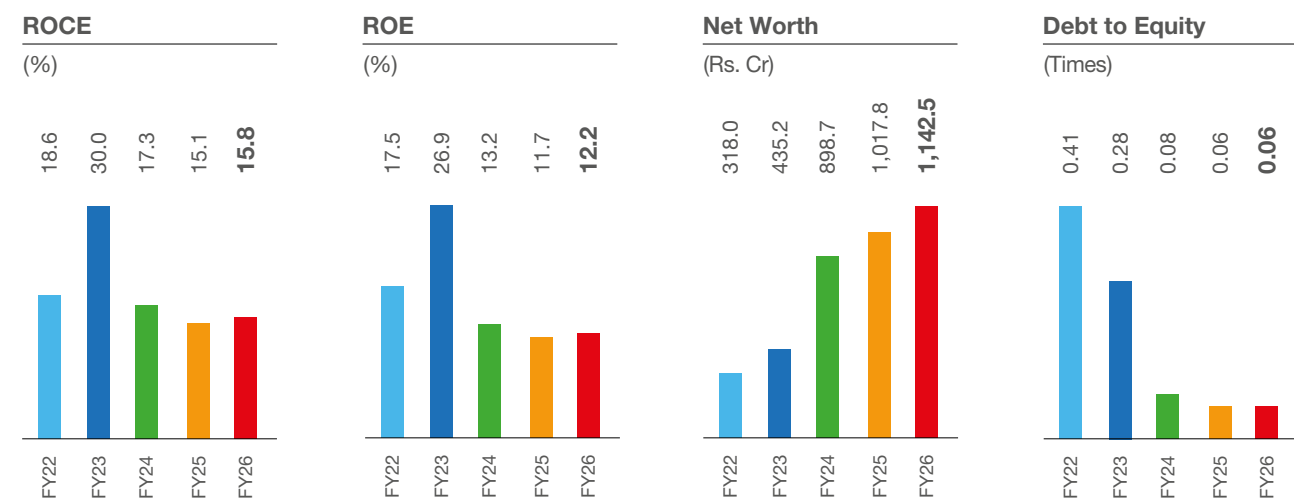
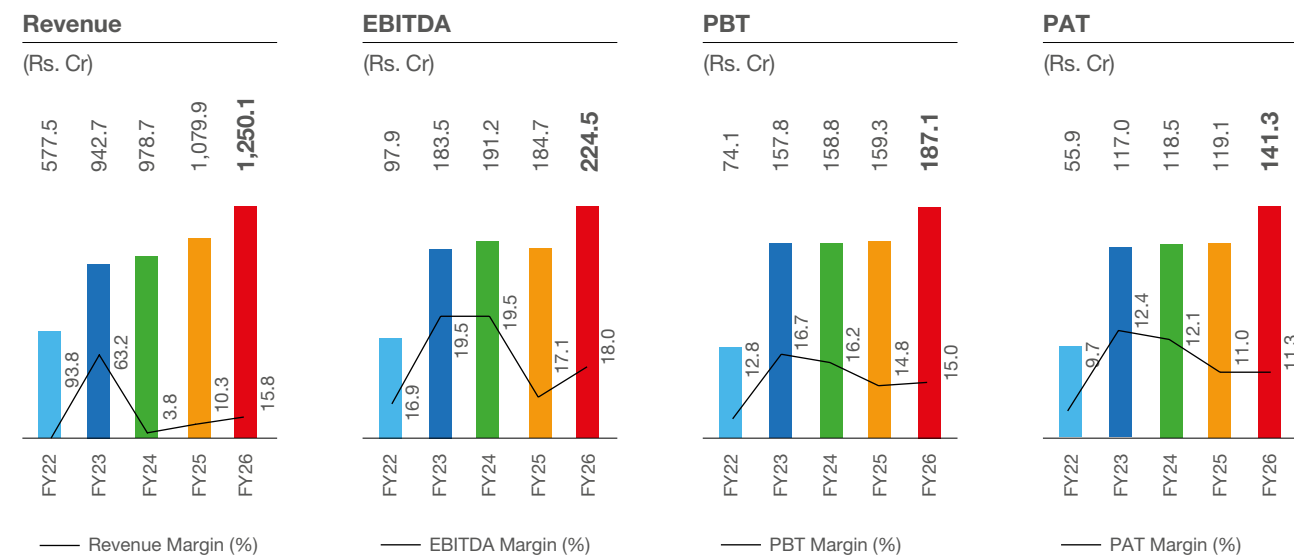
A corporate governance and compliance professional with expertise in secretarial, regulatory and legal compliance matters. As the Company's Company Secretary and Compliance Officer, he oversees the secretarial and compliance functions, ensuring adherence to statutory and regulatory requirements while strengthening corporate governance practices.



The Value We Created

Our continued investments in manufacturing, product portfolio expansion and premiumisation, combined with disciplined execution across the business, contributed to healthy growth across key financial parameters while maintaining a strong balance sheet and profitability.

Revenues from operations crossed Rs.1,250 crore in FY26, driven by strong momentum in our own brands and growing contributions from emerging product categories.

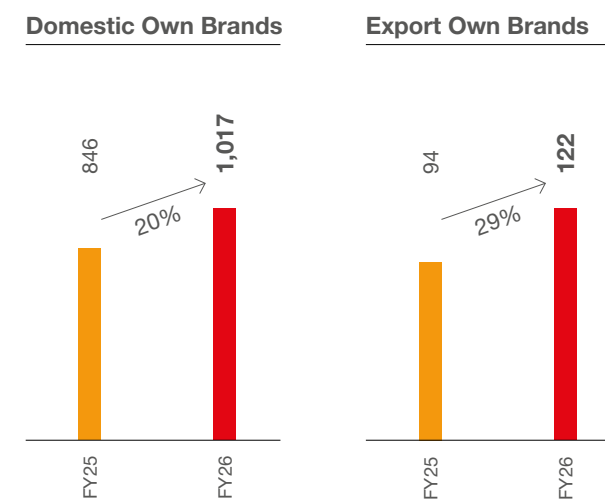


From One Strength to Many

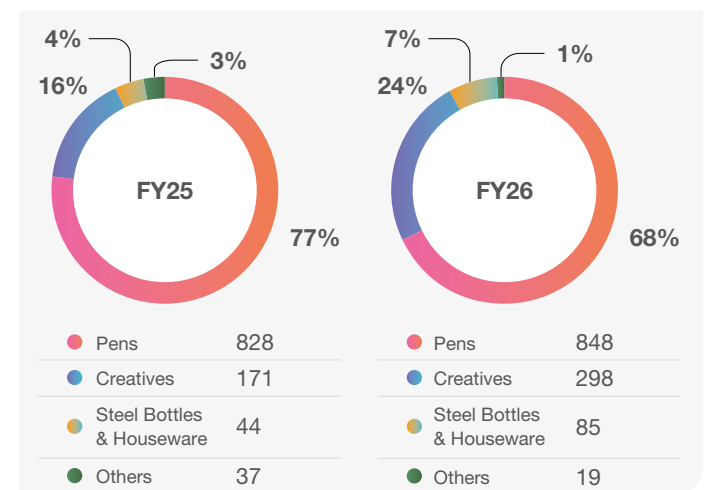
Every business has a starting point. Ours began with writing instruments. Over the years, however, we have steadily widened the scope of what we create and who we serve.

Today, alongside our leadership in writing instruments, creative products and steel bottles & houseware have emerged as important contributors to our growth. As these businesses continue to gain scale, they are helping shape a more diversified, balanced and future-ready Flair.

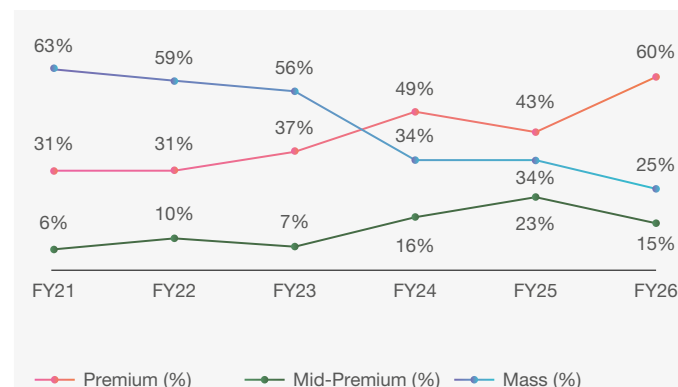
Business Performance



Segment Performance

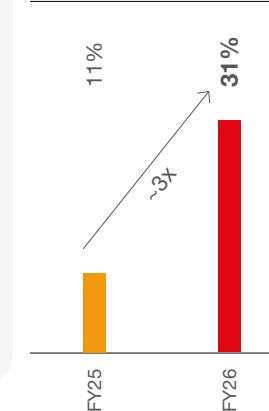


Evolving New Products Mix Towards Premium Segments

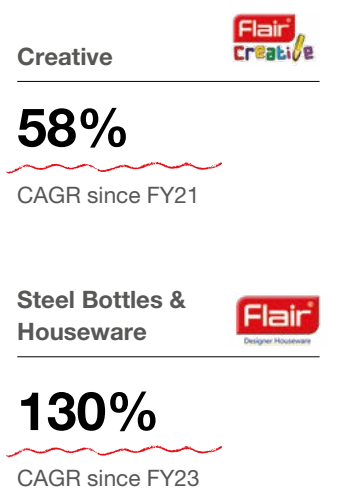


Increasing share of new segments

Share of New Segments



Delivering high growth



Flair

World Class Pens



From first words to bold ambitions, every story begins with a single stroke.

Flair is where our story began, and it continues to be the foundation of everything we have built since. In 1976, we introduced our first range of precision metal pens. Nearly five decades later, Flair has grown into India's largest pen brand and a leading exporter of writing instruments, with a presence in more than 100 countries around the world.

Today, the Flair portfolio is among the most comprehensive in the industry, spanning metal pens, ball pens, gel pens, liquid ink fountain pens, roller pens and the Platinum Series. Our products cater to a wide spectrum of consumers, from students purchasing their first pen to professionals seeking a reliable everyday writing companion. This broad offering allows us to serve diverse needs, preferences and price points across the market.

115+

Export Markets

7

New Pen Lines Introduced

450+
Products



Metal Pens



Ball Pens



Gel Pens



Fountain Pens



Hauser Germany



Bringing German-inspired precision to everyday writing experiences.

Hauser Germany is a well-established brand, recognised for its German standards and quality-led writing experience. With designs that combine simplicity, functionality and contemporary appeal, Hauser products are naturally suited to everyday use. Since introducing the brand in 2014, we have steadily strengthened its presence in the mid-premium segment, supported by our own in-house manufacturing capabilities and growing market reach.

Within our brand portfolio, Hauser occupies a distinct position between Flair's mass-market offerings and Pierre Cardin's premium range. This positioning makes it particularly relevant across modern trade, organised retail and institutional channels.

315+
Products



Ball Pens



Metal pens



Fountain Pens



Calculator



Stationery



Pierre Cardin

Paris

Capturing the spirit of Paris through timeless design.

Pierre Cardin pens are designed for those who value style, individuality and fine craftsmanship. Distinguished by elegant designs and world-class quality, each writing instrument is created to offer a refined writing experience while making a lasting impression. We have offered Pierre Cardin writing products through our promoter group since 1994, and under Flair Writing Industries since 2012. Supported by our in-house branding facilities and a dedicated team, we also provide personalised solutions for corporate and gifting requirements.

The portfolio includes ball pens, roller pens, fountain pens, a Premium Series and an extensive collection of exclusive gift sets. With over 240 products, Pierre Cardin represents one of the broadest premium writing instrument collections offered by an Indian manufacturer. During the year, we further strengthened the range with several notable introductions.

280+
Products




pierre cardin
PARIS

Ball Pens



Fountain Pens



Roller Pens



Exclusive Gift Sets



Prestige Set



Regal



Real Magic Set



Dance Set



Platina



Eiffel Tower Set



Premium Boxed Gift Sets

Flair Creative



Making room for every idea,
colour and possibility.

Flair Creative is our dedicated art, craft and school stationery brand, created for young learners and creative minds seeking vibrant, reliable and safe products for school projects, learning activities and self-expression. We introduced the brand in FY21 as part of our expansion beyond writing instruments into the wider world of stationery and art materials.

Today, the Flair Creative portfolio spans a broad range of products across the school and art ecosystem. Each product is designed with child-safe materials, vibrant colours and engaging formats that encourage creativity and make learning more enjoyable for students from primary school through to higher secondary.

29

New Products Launched

244+
Products



Mechanical Pencils



Clixxo 2.0MM



Trio 2.0



Move 2.0



Nio 2.0mm



Space-Tech 0.7mm



Thrill Glow 2.0mm

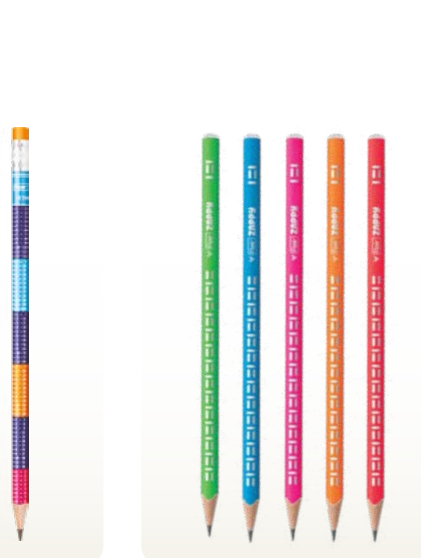
Wooden Pencil



Pastel



S-square



Trix



Zoppy Extra
Dark

Colouring Range



Tempera colour



Acrylic paint marker



Metallic brush marker



Wax crayon



Dura chisel



Magic marker

Geometry Box



Accumatic



Trigo



Geo matrix

Crayons and Oil Pastel



Wax Crayons



Jumbo Triangular Wax Crayons 24+2



Oil Pastel Triangular 12

Crayons and Oil Pastel



Silky Twisters



Glitter Twisters



Plastic Crayons

Office Stationery



Whiteboard ink



Pastel highlighter



Ct 302



Cp 250



Permanent pen XL



Super-glow highlighter

Colour and Writing Kits



Unicorn Kit



Colour Bubble Kit



Art Club



Aero Penci Kit



Bingo Kit



Splash Kit



Good Luck Kit

Flair

Electronic Calculators



Since 2008, we have offered a comprehensive range of calculators designed to meet the needs of students, professionals and businesses. Our portfolio includes pocket, semi-desktop, and scientific calculators, equipped with user-friendly features such as large displays, dual power options and functions like Check and Correct. Known for their functionality, ease of use and dependable performance, Flair calculators have earned the trust of users across India.

Manufactured at our Naigaon facility, the calculator range benefits from the same distribution network that supports our writing instruments and stationery products. This allows us to efficiently serve a broad customer base while addressing the steady demand generated by students, examination candidates and commercial establishments that rely on accurate and dependable calculation tools.

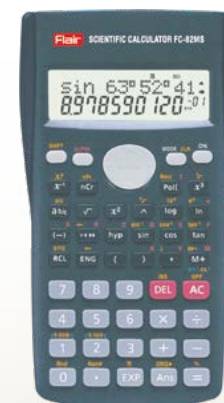


FC-1090



FC-890

40+
Products



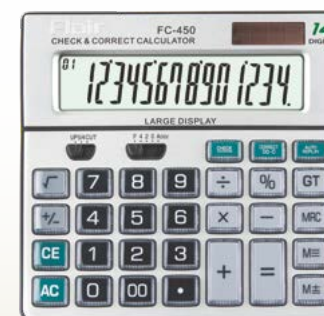
FC 82 MS



FC 100 MS



FC 309 BL



FC 450



FC 501 TX



FC 512 1



FC 837



FC 991 MS

Flair

Steel bottles and designer houseware



Extending our promise of quality products into everyday living

Our entry into steel bottles and housewares marked an important step in broadening our consumer portfolio beyond writing instruments. Every Flair steel bottle is manufactured using high-grade 304 stainless steel and is food-grade, BPA-free and equipped with vacuum insulation technology that keeps beverages hot for up to 12 hours and cold for up to 24 hours. Leak-proof construction, double-wall copper-coated insulation, and in-house colour lacquering help ensure consistent quality across every product.

We also introduced a personalisation service that allows consumers to customise bottles with their names, creating additional appeal for both gifting and personal use. Demand across modern trade channels continued to grow, supported by a dedicated distribution team. To support future growth, we plan to commission a fourth manufacturing line in FY27.

BIS-Certified

Domestic Manufacturer

190+ Products



Tumblers



Crest DX

Derby DX

Rage

Vogue

Vibe

Atom DX

Coffee Mugs and Travel Mugs



Moka

Brew

Kafe

Vacuum-Insulated Bottles

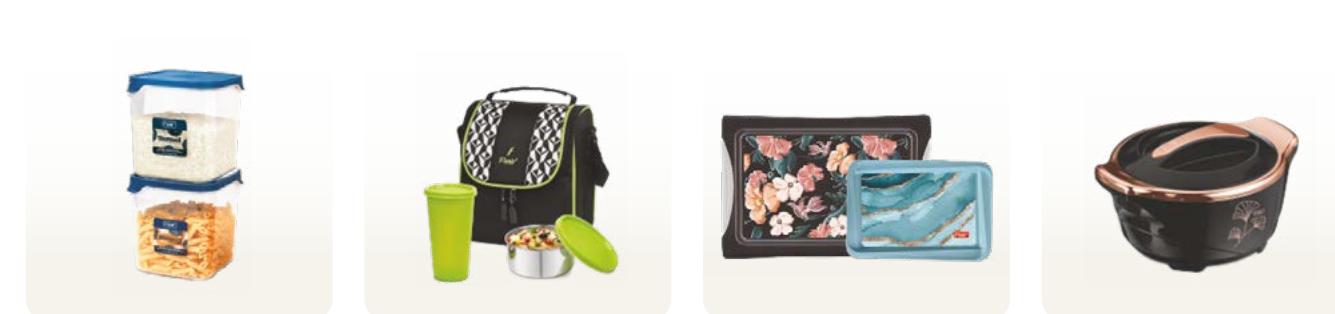


Onyx

Cola Crush

Aero

Kitchenware and Houseware



Storewell

Flair Lunch Box

Serving Trays

Casseroles



Storage Bins

Buckets

Baskets

Lunch Munch Duo set

The Strengths Behind Our Success

01 Extensive Product Portfolio What drives us We offer one of the broadest product ranges in India's writing instruments and stationery industry. The breadth of our portfolio helps reduce dependence on any single category while creating multiple avenues for growth across consumer segments, price points and usage occasions. New product introductions in FY26 continued our shift towards mid-premium and premium segments. 380 Design Registrations and Trademarks Filed 2,762+ Pen SKUs in FY26 Where we are headed Our product development focus in the coming year centres on three areas: deeper penetration into the colouring, geometry and art instruments space within Creative, continued premiumisation across our pen portfolio, and a wider range of steel bottles catering The three channels referred to are general trade, modern trade and e-commerce. These are categories where consumer demand is already well established and where our distribution reach provides a distinct advantage.	02 Strategic collaborations What drives us Our partnerships help us strengthen market access and premiumisation, with each collaboration chosen to add depth to our portfolio and reach new consumer segments. The Pierre Cardin licence, held exclusively by us for class 16 products, gives us a strong and protected position in the premium gifting and corporate pen segment. Our Disney licensing agreement extends our appeal among young consumers, while our partnership with Maped France complements our mid-premium stationery range. ~20 Disney-Branded SKUs in Distribution 120+ Countries Where Maped France Operates Where we are headed We will continue to build on our partnerships to expand our product portfolio, advance premiumisation and support long-term revenue growth. At the same time, we are exploring new licensing and distribution opportunities that complement our in-house brands while remaining selective about the collaborations we pursue.	03 Integrated Manufacturing What drives us Our integrated manufacturing model gives us greater control over quality, innovation and production efficiency across key product categories. A key differentiator is our in-house tip manufacturing capability, which is the highest among large-scale players in India, giving us direct control over the most critical component of any writing instrument. Our manufacturing network spans five locations across India, supporting the production of pens, creative products, tips, calculators, steel bottles, houseware products and pencils. 2.4 Billion Pieces Installed Capacity Per Annum ₹104 Cr Capex Invested in FY26 Where we are headed Our new Valsad facility partly commenced operations in Q1 FY27, with full ramp-up expected by Q3 FY27. This will significantly expand our manufacturing capacity for pens and creative products. The Surat facility, where we commissioned wooden pencil manufacturing in FY26 with an annual capacity of 84 million pieces, now provides us with end-to-end manufacturing capability across the pencil category. 1.85 MW rooftop solar project at our Valsad and Daman units has also started generating cost savings as part of our green manufacturing initiatives.	04 Widening Market Access What drives us Five of our brands, Flair, Hauser, Pierre Cardin, Flair Creative, Flair Steel Bottles & houseware collectively address every price segment in the Indian writing instruments market, from products priced below 15 to premium instruments above 100. This brand architecture allows us to participate in almost every pen and stationery purchase occasion across India, from a child's first geometry box to a corporate gifting order. Our domestic own-brand sales crossed 1,000 crores in FY26, growing 20% year-on-year, reflecting the strong consumer preference our brands enjoy across trade channels. On the export front, we now sell in over 115 countries, with own-brand exports recording strong year-on-year growth. ~91% Own-Brand Share of Total Revenue in FY26 ₹122 Cr Export Own-Brand Revenue in FY26 Where we are headed Growing our own-brand exports remains a significant opportunity for us. We have recently entered four new export markets and see recovery potential in the Middle East as trade routes continue to normalise following the regional disruptions of FY26. In India, our focus remains on strengthening our own brands in Modern Retail while maintaining strong position across general trade and Institutions.	05 Strong Distribution Reach What drives us Our distribution network is among the deepest in the Indian stationery industry, built over decades through our pen business and now extended to support our newer categories. We operate through 166 super-stockists, over 8,000 distributors and more than 3,30,000 wholesalers and retailers. This network gives our Creative and Steel Bottles categories immediate last-mile access from the time of launch, without requiring the need for separate investments in channel development. 8,000+ Distributors 6,500+ Pin codes Covered Where we are headed In Steel Bottles and Houseware, we have secured shelf presence across major modern trade chains and established a dedicated distribution team for general trade. Our presence across e-commerce and quick-commerce platforms is also expanding. In Creative, our school reach-out programme, covering institutions in Bangalore, Chennai, Delhi, Kolkata and other cities, helps build direct engagement with students while increasing awareness at an early stage of product adoption.	06 Innovation As a Growth Engine What drives us Innovation helps us translate our manufacturing capabilities and distribution reach into sustained revenue growth. We launched seven new pen lines, including three new liquid ink fountain pen variants, 29 new Creative products and four new steel bottle lines. Across Creative and Steel Bottles together, the year saw 59 new product introductions. 29 New Creative Products 4 New Steel Bottle Lines Where we are headed Our product pipeline for FY27 spans all three verticals, with new launches planned across the pen, Creative and Steel Bottles categories. We will continue to deepen our pencil range through the Surat facility, introduce higher-value formats in pens and expand the steel bottles portfolio across all trade channels.
--	---	---	--	--	--

Building Brands That *Connect*

Our brands have grown alongside changing consumer needs, expanding beyond writing instruments into a diversified portfolio of creative products, stationery and steel bottles & houseware. Guided by consumer insights, product innovation and a strong multi-channel presence, we continue to build brands that resonate with consumers at every stage of their journey.

3

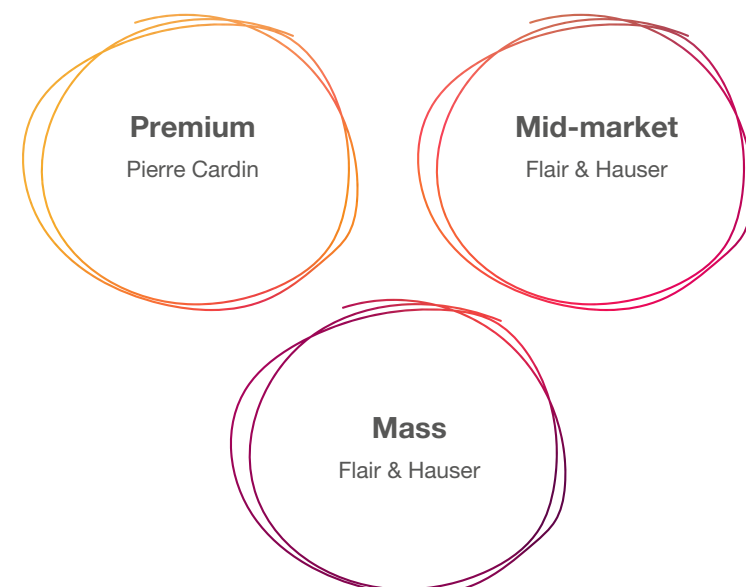
Brand Tiers

5

Sales Channels



One Portfolio, Many Possibilities



We have grown from a writing instruments company into a diversified consumer products business serving multiple categories and consumer segments. Across our portfolio, each brand is built on quality, functionality, design and value, offering products that enrich everyday experiences, from learning and creativity to work and everyday living.

Keeping Pace with Changing Preferences

Consumer preferences continue to evolve, shaped by design, self-expression, functionality and digital engagement. We stay closely connected to these changing preferences through retailer interactions, distributor feedback, school outreach programmes, market intelligence, social media and direct consumer engagement. These insights guide our product development, brand communication and category expansion across our portfolio.



Digital Engagement

Digital platforms continue to play an important role in our marketing approach. Through social media, digital campaigns, influencer collaborations and content-led initiatives, we engage with younger consumers while gaining valuable insights into emerging trends, campaign performance and evolving consumer preferences.



Paperworld Dubai 2025

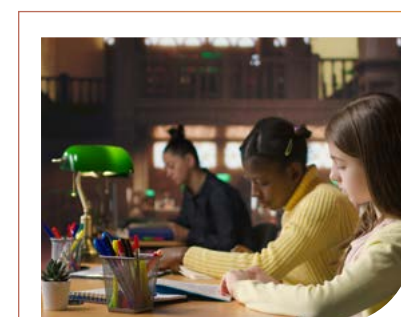
Our participation at Paperworld Dubai showcased our expanding portfolio across writing instruments, creative products and lifestyle categories, creating valuable opportunities to connect with customers, distributors and business partners from across international markets.

Where We Go from Here

As we continue to broaden our portfolio, we remain focused on building a diversified consumer products business that evolves with changing consumer preferences while creating enduring value for our brands.

Our Priorities

- Broaden our Portfolio**
Expand across writing instruments, creative products, stationery and lifestyle categories.
- Drive Product Innovation**
Introduce differentiated products that reflect evolving consumer needs.
- Elevate our Premium Offerings**
Enhance design, functionality and consumer experience across premium offerings.
- Deepen digital engagement**
Strengthen consumer connections through digital platforms and data-driven marketing.
- Expand into new categories**
Grow our presence across high-potential product categories.
- Strengthen our global presence**
Expand our reach across international markets and build on export opportunities.



Our school contact programmes give students the opportunity to experience our brands first-hand through direct engagement and interactive product experiences.

The Power Behind Our Products

Our manufacturing network brings together integrated production, advanced automation and a culture of continuous improvement to deliver consistent quality, operational efficiency and the capacity to support future growth. Guided by three strategic priorities- capacity enhancement, increased automation and deeper backward integration, we continue to strengthen a manufacturing platform built for long-term value.

11

Facilities

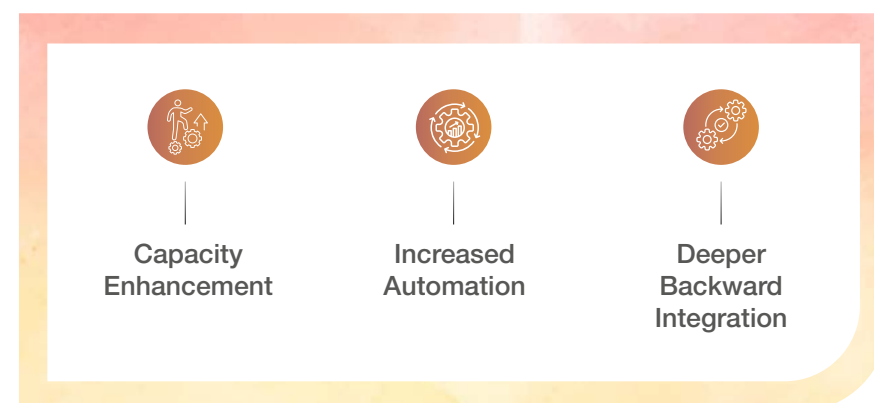
5

Operational Excellence Frameworks Deployed

1

Additional Facility: Creative Products, Valsad

Our Manufacturing Priorities



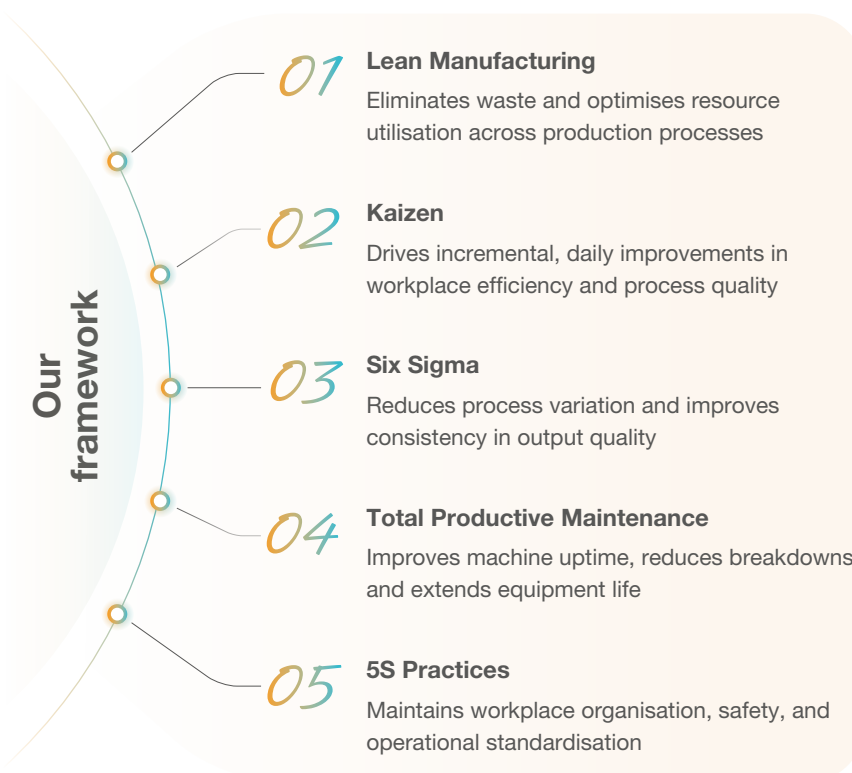
Built on Integration

One of our key manufacturing strengths is the high level of integration across our facilities. Pen tips, refills, plastic moulded parts, metal components, wooden pencils and steel bottle components are all manufactured in-house, giving us greater control over quality, lead times and production planning.

This integrated approach enables faster product development, improves our responsiveness to market demand and enhances efficiency across the manufacturing value chain. We continue to explore opportunities to strengthen backward integration across strategic product categories.

Driven by Continuous Improvement

Operational excellence is embedded across all our facilities through five interlinked improvement frameworks. OEE monitoring gives us real-time visibility into equipment performance, allowing us to identify and address inefficiencies before they affect output. Together, these initiatives have led to improved operational efficiency, stronger quality outcomes, and enhanced manufacturing competitiveness.



Spotlight

During the year, we commissioned our Surat manufacturing facility, strengthening manufacturing integration, operational flexibility and supply chain responsiveness. We are also developing a dedicated Creative Products facility at Valsad, reflecting our continued investment in high-growth categories.



Powering the Future with *Technology*

We are building an organisation where technology and innovation go hand in hand. Enterprise digitalisation, manufacturing automation, and a consumer-focused innovation pipeline are the three pillars driving this transformation. Together, they are helping us become faster, more connected, and better prepared for future growth.

1

ERP Platform Connecting the Enterprise

One Connected Platform

Our ERP implementation brings together four previously independent functions on a single integrated platform, giving management real-time visibility across the business. This enables faster decision-making, better forecasting, and a more responsive organisation.



2

Global Collaborations



Digital Transformation in Progress

Our transition to an integrated ERP platform marks an important step in our digital transformation journey. As implementation progresses, it is improving visibility across manufacturing, procurement, inventory management, sales, finance and supply chain operations. Alongside our ERP platform, we continue to integrate digital tools across key business functions to strengthen reporting, planning and operational visibility.

Driving Efficiency Through Automation

Automation is enhancing our manufacturing efficiency by improving throughput, reducing manual intervention and delivering greater consistency across operations. It continues to support higher productivity, stronger quality and scalable growth.

1. Higher Productivity:

Increased production volumes with improved operational efficiency.

2. Enhanced Quality: Better process control and consistent product performance.

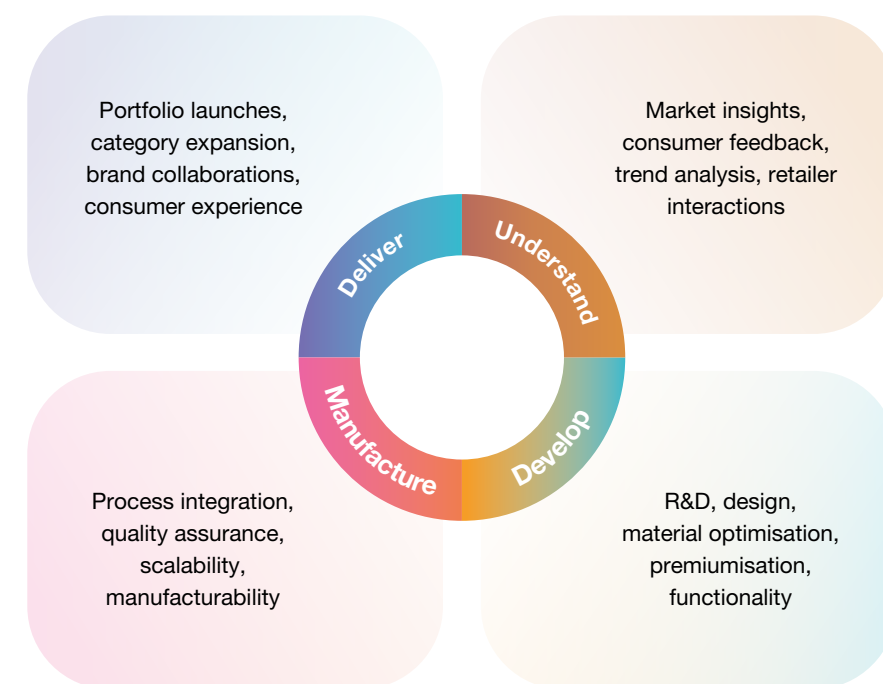
3. Greater Scalability: Optimised resource utilisation and long-term cost competitiveness.

Consumer-Led Innovation

Our innovation process begins with understanding evolving consumer needs and turning those insights into products that deliver quality, functionality and value. Every stage is closely connected, creating a smooth journey from idea to market.

Looking ahead

Over the next three to five years, we will continue building our technology and innovation capabilities with a focus on:



Research & Product Development

Our R&D teams work closely with our product development, manufacturing, design and commercial teams to run consumer insights into products that are commercially viable, scalable and ready for production. We have expanded our portfolio across Creative Products, Writing Instruments, Steel Bottles and Houseware, while continuing to strengthen our premium writing range.

Spotlight

Our strategic collaborations with Mapped and Disney have brought global product expertise, established brands and valuable consumer insights into our innovation process, opening up new opportunities for product development.

Caring for Our *Environment*

Responsible manufacturing, for us, means looking beyond what we make to how we make it. Across our production facilities, we have put in place a series of practical measures that reduce our energy consumption, manage water more carefully and minimise the waste our operations generate. We continue to invest in next-generation energy-efficient machinery and explore opportunities to reduce material consumption across our production infrastructure, making our operations cleaner and more efficient year on year.

3,18,826.80 Units

Renewable energy generated



Energy efficiency

We have adopted servo-based machinery across our production lines, integrated natural daylighting in select production areas and upgraded to energy-efficient electrical systems on our shop floors. Together with our operational 1.85 MW rooftop solar project, these measures have meaningfully reduced our overall power consumption while improving production reliability.



Water conservation

Our water management approach centres on reducing dependence on external sources. We have installed Effluent Treatment Plants at our manufacturing facilities and put in place rainwater harvesting systems that support water reuse across our operations.

3.28 kL/in crore rupees

Water consumption intensity



Waste reduction

Internally rejected plastic is reused across product lines and packaging rather than being discarded. We have replaced single-use plastic storage bags with durable multi-use crates across our facilities, and we are increasing the use of water-based variants in our manufacturing processes to reduce chemical impact over time.



Sustainable products

Our Steel Bottles and Houseware range directly reflects our environmental thinking. All our steel bottles carry BIS certification and are manufactured using food-safe 304-grade stainless steel with vacuum insulation technology, making them a durable, reusable alternative to single-use plastic hydration products. By offering these products at accessible price points, we extend our sustainability commitment beyond our factory walls and into everyday consumer choices.



Our People, Our Strength

Our people bring together the skills, experience and commitment that power every stage of our business, from manufacturing and quality to innovation, sales and digital operations. As our business continues to grow, our people strategy is centred on building the right capabilities, creating opportunities to learn and develop, and fostering a workplace built on respect, collaboration and accountability.

5452

Permanent Employees

During the year, we expanded our workforce across seven critical functions, including automation, digital and quality roles, in line with our evolving manufacturing and business requirements.

8456

Total Workforce

4259

Women Employees



Learning & Development

Learning opportunities continued to grow through classroom training, cross-functional exposure and on-the-job learning, helping employees to build capabilities beyond their immediate roles. Cross-functional assignments and hands-on learning also prepare employees for broader responsibilities, supporting leadership development across the organisation.

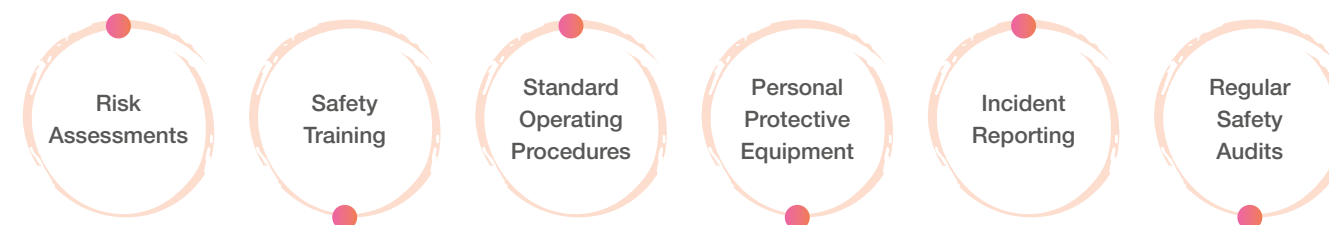


Health, Safety & Well-being

The health, safety and well-being of our people remain central to the way we operate, particularly across our manufacturing facilities. We enhanced shop floor safety measures, expanded safety inspections and continued focused training programmes. Alongside these efforts, we promoted employee well-being through health awareness programmes, preventive health initiatives, employee assistance support and wellness activities.



Creating a safe workplace



Employee Engagement & Culture

Recognition programmes, team-building activities, wellness initiatives and employee communication forums encourage dialogue, celebrate contributions and bring people together.



Performance Management & Rewards

Our rewards framework comprises fixed and variable compensation structures, complemented by recognition programmes that acknowledge and celebrate behaviours, achievements and contributions aligned with our organisational values. The Company conducts an annual performance review process to evaluate employee performance, provide constructive feedback and ensure alignment of individual objectives with the Company's overall goals.



Diversity, Equity & Inclusion (DEI)

Our efforts include raising awareness about equitable hiring and promotion practices while encouraging greater representation across roles and functions.



Corporate Social

Responsibility

Our CSR initiatives reflect our commitment to creating a positive and lasting difference in the communities we serve. Education remains at the heart of our CSR efforts, complemented by initiatives in healthcare, community development and social welfare that help build stronger and more inclusive communities.

₹ 7 Crore

CSR Commitment Towards
the Memorial School Project

35,000 sq. ft.

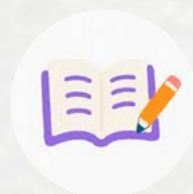
Educational Infrastructure
Under Development

1

Flagship Multi-Year
Education Project



Our Areas of Impact



Education

Improving access to quality
educational infrastructure and learning
environments



Healthcare

Supporting health awareness,
preventive care, and access to medical
support



Community welfare

Addressing diverse social needs
across regions through targeted
contributions



Social development

Creating opportunities that support
long-term community progress



Education infrastructure

Our flagship CSR initiative is the development of the Shri Jugrajji Shrichandji Rathod Memorial School at Sadri, Rajasthan, in partnership with Shree Khetlaji Mandal. The project involves the construction of a modern educational facility with classrooms, furniture, sanitation facilities, safety infrastructure and other amenities to provide a safe and inclusive learning environment.

Planned as a multi-year initiative, the project is progressing in line with construction milestones and will create educational opportunities for generations of students.



We enhanced critical healthcare services
through the donation of an anaesthesia
workstation to Sadri Government Hospital.

As part of its commitment towards community welfare and improving access to quality healthcare facilities, the Company supported healthcare infrastructure by providing a dialysis machine to enhance the availability of essential medical services for individuals requiring regular dialysis treatment.

The initiative aims to strengthen healthcare delivery capabilities, facilitate timely access to critical treatment facilities and contribute towards improving the overall well-being of patients and communities in need. Through such initiatives, the Company continues to support sustainable social development and create a positive impact on society.



Healthcare initiatives

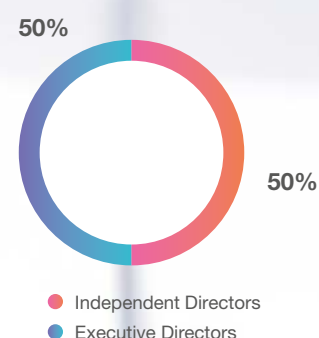
Our healthcare initiatives focus on improving access to basic medical services and preventive care in the communities we serve. We have supported local health camps, medical assistance programmes, and preventive healthcare initiatives that make primary healthcare more accessible, particularly in underserved areas.

Strength Through Governance

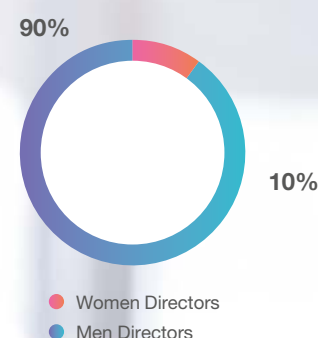
Strong governance forms the foundation of our ability to create long-term value for stakeholders. Our governance framework is anchored in integrity, accountability, transparency and responsible decision-making, supporting effective oversight of strategy, risk and long-term business performance.

Guided by an experienced Board, specialised Board Committees and a well-defined policy framework, we continue to strengthen our governance practices in line with evolving stakeholder expectations and regulatory requirements.

Board Composition



Board Diversity



Board Committee Oversight

1 Audit Committee

Ensures the integrity of financial reporting, internal controls, statutory audits and compliance processes.

5

Meetings Held

2 Nomination & Remuneration Committee

Oversees Board composition, succession planning, performance evaluation and remuneration practices.

3

Meetings Held

3 Stakeholders' Relationship Committee

Strengthens shareholder engagement and oversees the timely resolution of investor grievances.

1

Meetings Held

4 CSR Committee

Guides social impact initiatives and monitors the implementation and effectiveness of CSR programmes.

2

Meetings Held

5 Risk Management Committee

Oversees enterprise-wide risks and mitigation strategies to support long-term resilience.

2

Meetings Held



Access our governance policies here.

Governance in Action

1 Board Evaluation

The Board undertakes an annual evaluation of its performance, as well as that of its committees and individual Directors, to strengthen effectiveness, accountability and strategic oversight.

2 Enterprise risk oversight

A structured risk management framework supports the continuous monitoring of strategic, operational, financial and regulatory risks, supporting informed decision-making and business continuity.

3 Ethical business conduct

A comprehensive Code of Conduct, supported by regular awareness programmes, promotes ethical behaviour and responsible decision-making across the organisation.

Ethics & Integrity

1 Whistleblower Mechanism

We maintain a confidential whistleblower mechanism that enables employees and stakeholders to report concerns relating to unethical conduct, fraud or policy violations without fear of retaliation.

2 Prevention of Sexual Harassment (POSH)

We are committed to providing a safe, inclusive and respectful workplace. A robust POSH framework, supported by an Internal Committee, promotes awareness and ensures timely and fair resolution of concerns.

3 Anti-Bribery and Anti-Corruption

Our Anti-Bribery and Anti-Corruption Policy reinforce a zero-tolerance approach to unethical business practices and supports a culture of integrity across the organisation.

Policy framework

Ethics & Compliance

- Code of Conduct
- Insider Trading Code

Board & Leadership

- Board Evaluation
- Board Diversity

Risk & Governance

- Risk Management
- Materiality Policy

Sustainability & People

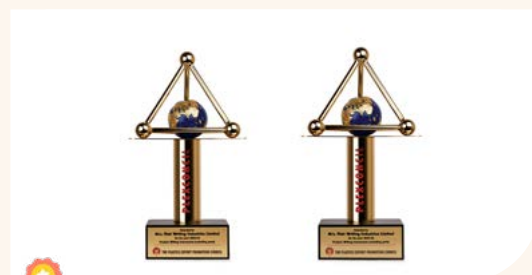
- CSR Policy
- Human Rights Policy

Shareholder Protection

- Dividend Policy
- Related Party Transactions

Awards &

Recognition



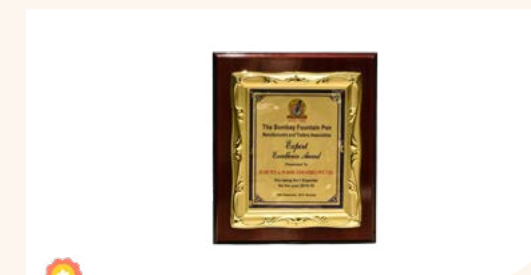
2023-25: Export Excellence Award for India's Leading Pen Exporter from the Plastic Export Promotion Council (PLEXCONCIL)



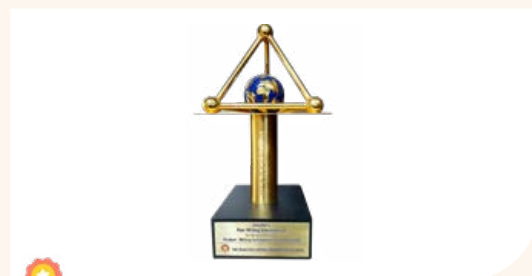
2022-23, 2021-22, 2020-21: Award for Top Exporter from the Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments



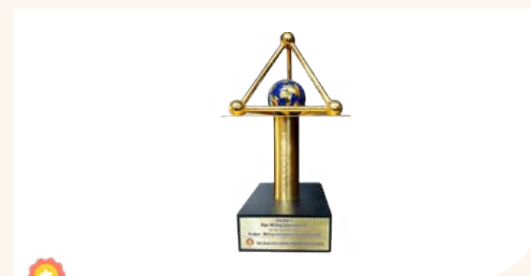
2015-16: Award for the No. 1 Exporter from the Writing Instruments Manufacturers Organisation – India (WIMO)



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



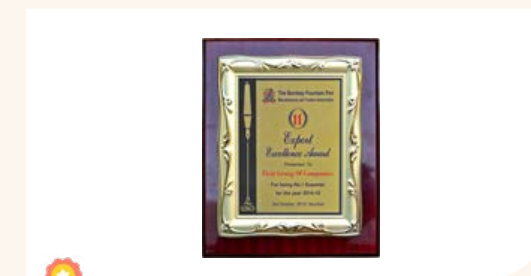
2020-21: Award for Top Exporter from the Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments



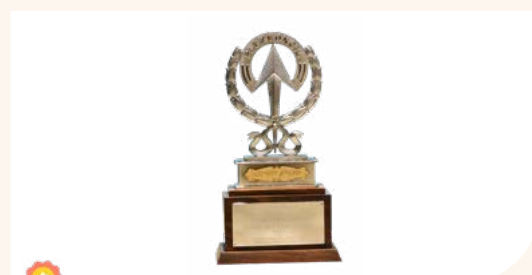
2019-20: Award for Top Exporter from the Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments



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



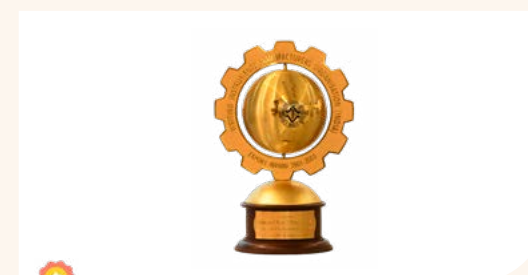
2014-15: Export Excellence Award for No. 1 Exporter from the BFPMTA



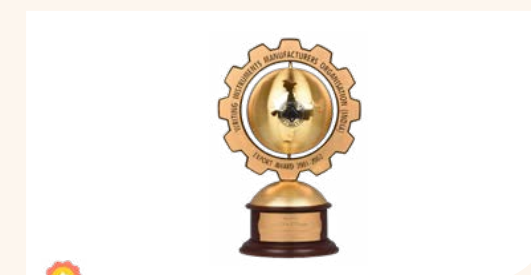
2018-19: Export Award from the Plastic Export Promotion Council (PLEXCONCIL) in the category for writing instruments (excluding parts)



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



2013-14: Most Valuable Brand Award from WCRC



2012-13: Asia's Most Promising Brand Award from WCRC



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 10th Annual General Meeting (AGM) of the members of Flair Writing Industries Limited ('the Company') will be held on Thursday, August 27, 2026 at 3:00 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, 2026 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of Rs. 0.50/- per equity share of Rs. 5/- each of the Company for the financial year ended March 31, 2026.
3. To appoint a director in place of Mr. Vimalchand Jugraj Rathod (DIN: 001223007), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Mohit Khubilal Rathod (DIN: 00122951), who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditor of the Company for a term of five consecutive years from FY 2026-27:

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and based on the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for the appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/ N500016) as the Statutory Auditors of the Company for a term of five (5) years to hold office from the conclusion of the 10th Annual General Meeting until the conclusion of the 15th Annual General Meeting of the Company, to

conduct the statutory audit of the Company and issue audit reports thereon.

RESOLVED FURTHER THAT the remuneration of the Statutory Auditors, as recommended by the Audit Committee and the Board of Directors, be and is hereby approved by the Members at Rs.55,00,000/- (Rupees Fifty-Five Lakhs only) per annum, excluding applicable taxes and reimbursement of out-of-pocket expenses, and fees for any other certification, attest services or permissible non-audit services, if any, shall be approved by the audit committee and Board of directors."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution, including filing of necessary forms with the Registrar of Companies and making statutory disclosures as may be required under applicable law."

SPECIAL BUSINESS:

6. To re-appoint Mr. Mohit Khubilal Rathod (DIN: 00122951) as Whole-time Director of the Company for a period of five years:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, (including any statutory modification(s) or re-enactment thereof for the time being in force), and upon recommendation and approval of Nomination & Remuneration Committee and Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) and subject to such other approval(s), permission(s) and sanction(s) as may be required in this



regard, consent of the Members be and is hereby accorded for the re-appointment of Mr. Mohit Khubilal Rathod (DIN: 00122951) as Whole-time Director of the Company for a period of five (5) years with effect from April 01, 2027 to March 31, 2032, liable to retire by rotation, on such terms and conditions as detailed in the explanatory statement attached hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the said appointment, including remuneration, in such manner as may be agreed to between the Board and Mr. Mohit Khubilal Rathod, subject to the limits prescribed under Section 197 read with Schedule V to the Act.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of Mr. Mohit Khubilal Rathod as Whole-time Director, the remuneration payable to him shall be in accordance with the provisions of Schedule V to the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to this resolution.”

7. To re-appoint Mr. Sumit Vimalchand Rathod (DIN: 02987687) as Whole-time Director of the Company for a period of five years

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 India (“Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, (including any statutory modification(s) or re-enactment thereof for

the time being in force), and upon recommendation and approval of Nomination & Remuneration Committee and Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee thereof) and subject to such other approval(s), permission(s) and sanction(s) as may be required in this regard, consent of the Members be and is hereby accorded for the re-appointment of Mr. Sumit Vimalchand Rathod (DIN: 02987687) as Whole-time Director of the Company for a period of five (5) years with effect from April 01, 2027 to March 31, 2032, liable to retire by rotation, on such terms and conditions as detailed in the explanatory statement attached hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the said appointment, including remuneration, in such manner as may be agreed to between the Board and Mr. Sumit Vimalchand Rathod, subject to the limits prescribed under Section 197 read with Schedule V to the Act.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of Mr. Sumit Vimalchand Rathod, Whole-time Director, the remuneration payable to him shall be in accordance with the provisions of Schedule V to the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to this resolution.”

For **Flair Writing Industries Limited**

Vishal Kishor Chanda

Company Secretary & Compliance Officer

Place: Mumbai

Date: August 03, 2026

Registered Office:

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

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, 09/2024 dated 19th September, 2024 and latest being 03/2025 dated 22nd September, 2025/ 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.
- d) In compliance with the provisions of the Act, SEBI Listing Regulations and Secretarial Standards on General Meeting and MCA Circulars, the 10th Annual General Meeting of the Company is being held through VC/ OAVM on Thursday, August 27, 2026 at 3:00 pm (IST). The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company.
- e) 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 investor.helpdesk@in.mpms.mufg.com with a copy marked to the Company at investors@flairpens.com.
- f) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, August 20, 2026 to Thursday August 27, 2026 (both days inclusive).
- g) 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.
- h) 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>.
- i) 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 and SEBI/ HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023, 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 2025-26 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 2026 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- 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 10th AGM, for information of the Members.



- j) Members having more than one folio in identical names are requested to consolidate the same.
- k) The Company has fixed Wednesday, August 19, 2026 as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2026, if approved at the AGM.
- l) Dividends are declared based on profits (including retained earnings) available for the distribution. On May 21, 2026, the Board of Directors have proposed a final dividend of Rs. 0.50/- per share in respect of the year ended March 31, 2026. The total proposed dividend amounts to Rs. 0.50/- per share, subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately Rs. 5.27 Crore.
- m) As per Indian Income Tax Act, 2025 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 2026-27 does not exceed Rs. 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 203(2) of the Income Tax Rules, 2026. 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 19, 2026, 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 121. 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 Investor.helpdesk@in.mpms.mufg.com Wednesday August 19, 2026 (upto 6:00 pm 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 Investor.helpdesk@in.mpms.mufg.com. The said declarations need to be submitted by Wednesday, August 19, 2026 (upto 6:00 pm 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 Tuesday, August 04, 2026 09.00 am to Wednesday, August 19, 2026 (upto 05.00 pm 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.

- n) 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.
- o) 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 am to 11:30 am (IST) up to Thursday August 27, 2026 being the date of the AGM. Members seeking to inspect such documents can send an email at: investors@flairpens.com.
- p) 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 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 - NSDL OTP based login

- Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- Enter the OTP received on your registered email ID/ mobile number and click on login
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDeAS facility

A. Shareholders registered for IDeAS facility:

- Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "IDeAS Login Section".
- Enter IDeAS User ID, Password, Verification code & click on "Log-in".
- Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.
- Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

B. Shareholders not registered for IDeAS facility:

- 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>
- Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".
- Enter the last 4 digits of your bank account / generate 'OTP'

- Post successful registration, user will be provided with Login ID and password
- Follow steps given above in points (a-d).

METHOD 3 - By directly visiting the e-voting website of NSDL:

- Visit URL: <https://www.evoting.nsdl.com/>
- Click on the "Login" tab available under 'Shareholder/ Member' section.
- 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.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".
- 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

A. Shareholders registered for Easi/ Easiest facility:

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)"

Login with user id and password
- Enter existing username, Password & click on "Login".
- Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

B. Shareholders not registered for Easi/ Easiest facility:

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- Proceed with updating the required fields for registration.

- c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

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 16 digit 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) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to 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 feature.
- d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to 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:

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote

A. Shareholders registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.
- b) Enter details as under:

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.

- c) Password: Enter existing Password
- d) Enter your Image Verification (CAPTCHA) Code
- e) Click on 'Submit'.
(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

B. Shareholders not registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:
- b) **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.
- c) **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
- d) **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
- e) **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders, holding shares in NSDL form, shall provide 'point e' above.
 - Shareholders, holding shares in CDSL form, shall provide 'point d' or 'point e' above.
 - Shareholders, holding shares in physical form but have not recorded 'point d' and 'point e', shall provide their Folio number in 'point e' above
- f) 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).

- g) Enter Image Verification (CAPTCHA) Code.
- h) Click “Submit” (You have now registered on InstaVote).

Post successful registration, click on “Login” under ‘SHARE HOLDER’ tab & follow steps given above in points (a-e).

STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the “Notification for e-voting”.
- B. Select ‘View’ icon. E-voting page will appear.
- C. 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).
- D. After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- E. 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.

NOTE: Shareholders may click on “Vote as per Proxy Advisor’s Recommendation” option and view proxy advisor recommendations for each resolution before casting vote. “Vote as per Proxy Advisor’s Recommendation” option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

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

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

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 (You have now registered on InstaVote).

STEP 2 –Investor Mapping:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials
- 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 Investor’s name as updated with DP.
 - c. ‘Investor PAN’ - Enter your 10-digit PAN issued by Income Tax Department.
 - d. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

NOTE: 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 (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

STEP 3 – Steps to cast vote for Resolutions through InstaVote:

The corporate shareholder can vote by two methods; during the remote e-voting:

METHOD 1 - VOTES ENTRY:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- 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 under “On-going Events”.
- 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). After selecting the desired option i.e., Favour / Against, click on 'Submit'.

- f) 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).

METHOD 2: VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- After successful login, you will see "Notification for e-voting".
- Select 'View' icon for '**Company's Name / Event number**'.
- E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- 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).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

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

Login type	Helpdesk details
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 evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

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

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab
- 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
- 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:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participant's website.

General Instructions - Shareholders

- 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

- Members of the Company holding shares in electronic form as of the cut-off date of August 19, 2026 may cast their vote by remote e-voting. The remote e-voting period commences on Monday, August 24, 2026 at 9:00 am and ends on Wednesday, August 26, 2026 at 5:00 pm. 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 19, 2026. 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 27, 2026. 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.com.

- 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.
- 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 19, 2026.
- 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.
- 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.
- 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 10th AGM of the Company to be held on Thursday, August 27, 2026.
- The contact details for Registrar and Transfer Agent: MUFG Intime India Private Limited, Tel. No. 022 4918 6270, E-mail: investor.helpdesk@linkintime.co.in

p) 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:

- 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.
- 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.
- 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:

- Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login".

2. Select the “Company Name” and register with your following details:
 - A. Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
 - B. Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
 - C. Shareholders shall select check box – PAN and enter 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 by MUFG Intime, if applicable.
 - D. Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - E. Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.
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 at company’s registered email id.
2. Shareholders will get confirmation on first come first serve basis depending upon the provision made by the company.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
4. Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.

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 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
3. Click on 'Submit'.
4. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
5. 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’.
6. 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. 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.

Helpdesk: Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175

ANNEXURE TO THE NOTICE

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

Item No. 5:

Pursuant to Section 139 of the Companies Act, 2013 ("the Act"), read with the Companies (Audit and Auditors) Rules, 2014, every company is required to appoint Statutory Auditors to audit its financial statements in the manner prescribed under the Act.

Further, Sections 139, 141 and 142 of the Act, inter alia, provide for the eligibility, qualifications, disqualifications, tenure and remuneration of Statutory Auditors.

The present Statutory Auditors of the Company, M/s. Jeswani & Rathore, Chartered Accountants (Firm Registration No. 104202W), were appointed at the Annual General Meeting held on September 30, 2017. They have completed their maximum permissible tenure under Section 139(2) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Accordingly, they shall retire at the conclusion of the 10th Annual General Meeting of the Company.

The remuneration paid to M/s. Jeswani & Rathore, Chartered Accountants, during the financial year ended March 31, 2026 was Rs. 36 Lakhs. There has been no material change in the remuneration payable to the Statutory Auditors or in the terms and conditions of their appointment during the financial year under review.

Based on the recommendation of the Audit Committee and the Board of Directors, the Board has approved and recommended to the Members the appointment of M/s Price Waterhouse Chartered Accountants LLP ("PwC") (Firm Registration No. 012754N/N500016) as the Statutory Auditors of the Company for a term of five (5) consecutive financial years.

The proposed appointment of M/s Price Waterhouse Chartered Accountants LLP ("PwC") shall be for a term of five consecutive financial years commencing from April 1, 2026, to March 31, 2031, and the Statutory Auditors shall hold office from the conclusion of the 10th Annual General Meeting until the conclusion of the 15th Annual General Meeting of the Company, subject to approval of the Members.

M/s Price Waterhouse Chartered Accountants LLP ("PwC") have confirmed their eligibility under Section 141 of the Act and have provided their written consent for the said appointment. They have further confirmed that their appointment, if made, would be in compliance with the applicable provisions of the Act and that they are not disqualified to act as Statutory Auditors.

Remuneration

The remuneration of Rs 55,00,000/- (Rupees Fifty-Five Lakhs only) per annum, excluding applicable taxes and reimbursement of out-of-pocket expenses, as recommended by the Audit Committee and the Board of Directors, is proposed for approval of the Members. Fees for any other certification, attest services or permissible non-audit services, if any, shall be mutually agreed between the Company and the Statutory Auditors from time to time.

Brief Profile of Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP ("PwC"), Firm Registration No. 012754N/N500016, is a limited liability

partnership firm of Chartered Accountants registered with the Institute of Chartered Accountants of India ("ICAI").

The Firm was established in 1991 and converted into a Limited Liability Partnership in 2014. The registered office of the Firm is situated at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110 002. The Firm has seventeen (17) branch offices across India.

The Firm is engaged in providing audit, assurance and related services and is a member firm of Price Waterhouse & Affiliates, a network of firms registered with ICAI having Network Registration No. NRN/E/14. The network comprises separate, distinct and independent Indian Chartered Accountant firms.

The Firm has more than 125 assurance partners as on 31st December, 2025 and has extensive experience in statutory audit of listed and large corporates across various sectors. The Firm holds a valid Peer Review Certificate issued by ICAI and is eligible to undertake statutory audit of listed entities in India.

To the best of its knowledge, the Firm does not have any relationship with the Directors of the Company.

Other Disclosures

The consent letter, eligibility certificate and peer review certificate issued by the M/s Price Waterhouse Chartered Accountants LLP ("PwC") are available for inspection by the Members in electronic form up to the date of the Annual General Meeting. Members seeking inspection may send an email request to the Company's designated investor email ID.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution as set out in the Notice for approval of the Members.

Item No. 6:

Mr. Mohit Khubilal Rathod (DIN: 00122951) has been appointed as Whole-time Director of the Company for a term of five (5) consecutive years commencing from April 1, 2022 and ending on March 31, 2027, and has contributed significantly to the growth and operations of the Company. Based on the recommendation of the Nomination & Remuneration Committee, the Board, at its meeting held on May 21, 2026, approved the re-appointment of Mr. Mohit Khubilal Rathod (DIN: 00122951) as Whole-time Director for a further term of five (5) consecutive years, with effect from April 1, 2027 up to and including March 31, 2032, subject to the approval of the Members at this Annual General Meeting of the Company.

The Company has received a Notice in writing from a Shareholder under Section 160 of the Companies Act, 2013, proposing his candidature to the office of Whole-time Director of the Company

(a) Profile:

The re-appointment is proposed pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 India read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Brief terms of re-appointment:**

Tenure: Five (5) years commencing from April 01, 2027 to March 31, 2032

Remuneration:

- Salary of Rs. 10 Lakhs per month, in the scale of Rs. 10,00,000 (Rupees Ten Lakh Only) to Rs. 20,00,000 (Rupees Twenty Lakh only) per month, with such increments as may be decided by the Board from time to time
- Performance-linked commission of up to 1% of the net profits of the Company

Perquisites and Benefits:

- Company-maintained car for official and personal use
- Contribution to Provident Fund, Gratuity, and Leave Encashment as per the rules of the Company

In the event of absence or inadequacy of profits during his tenure, the remuneration payable to Mr. Mohit Khubilal Rathod shall be governed by the provisions of Schedule V to the Act.

The draft Letter of Appointment containing detailed terms and conditions of appointment is available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting.

The Board of Directors is of the opinion that the re-appointment of Mr. Mohit Khubilal Rathod as Whole-time Director is in the best interest of the Company and accordingly recommends the resolution set out at Item No. 6 of the Notice for approval of the Members.

Save and except Mr. Mohit Khubilal Rathod, Mr. Khubilal Jugraj Rathod, Mr. Rajesh Khubilal, Mr. Vimalchand Jugraj Rathod, Mr. Sumit Rathod and their relatives to the extent of their shareholding in the Company, if any, none of the other Directors/ Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice.

Item No. 7:

Mr. Sumit Vimalchand Rathod (DIN: 02987687) has been associated with the Company as Whole-time Director and has contributed significantly to the growth and operations of the Company. He was appointed as Whole-time Director of the Company for a term of five (5) consecutive years commencing from April 1, 2022 and ending on March 31, 2027. Considering his experience, expertise and valuable contribution to the Company, the Board of Directors, at its meeting held on May 21, 2026, has approved, subject to the approval of the Members, the re-appointment of Mr. Sumit Vimalchand Rathod (DIN: 02987687) as Whole-time Director of the Company for a further term of five (5) consecutive years commencing from April 1, 2027 up to and including March 31, 2032.

The Company has received a Notice in writing from a Shareholder under Section 160 of the Companies Act, 2013, proposing his candidature to the office of Whole-time Director of the Company

(a) Profile:

The re-appointment is proposed pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 India read

with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Brief terms of re-appointment:

Tenure: Five (5) years commencing from April 01, 2027 to March 31, 2032

Remuneration:

- Salary of Rs. 10 Lakhs per month, in the scale of Rs. 10,00,000 (Rupees Ten Lakh Only) to Rs. 20,00,000 (Rupees Twenty Lakh only) per month, with such increments as may be decided by the Board from time to time
- Performance-linked commission up to 1% of net profits of the Company

Perquisites and Benefits:

- Company-maintained car for official and personal use
- Contribution to Provident Fund, Gratuity, and Leave Encashment as per the rules of the Company

In the event of absence or inadequacy of profits during his tenure, the remuneration payable to Mr. Sumit Vimalchand Rathod shall be governed by the provisions of Schedule V to the Act.

The draft Letter of Appointment containing detailed terms and conditions of appointment is available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting.

The Board of Directors is of the opinion that the re-appointment of Mr. Sumit Vimalchand Rathod as Whole-time Director is in the best interest of the Company and accordingly recommends the resolution set out at Item No. 7 of the Notice for approval of the Members.

Save and except Mr. Sumit Vimalchand Rathod, Mr. Vimalchand Jugraj Rathod, Mr. Khubilal Jugraj Rathod, Mr. Rajesh Khubilal Rathod, Mr. Mohit Khubilal Rathod and their relatives to the extent of their shareholding in the Company, if any, none of the other Directors/ Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 7 of the Notice.

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

Vishal Kishor Chanda
Company Secretary & Compliance Officer

Place: Mumbai
Date: August 03, 2026

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. Vimalchand Jugraj Rathod	Mr. Mohit Khubilal Rathod	Mr. Sumit Rathod
1	Director Identification Number	00123007	00122951	02987687
2	Date of Birth	August 9, 1951	September 30, 1978	August 15, 1982
3	Director since	August 12, 2016	August 12, 2016	August 12, 2016
4	Qualifications	Fellow Member, Institute of Chartered Accountants of India & Bachelor of Commerce	Bachelor of Arts (Business Administration)	Bachelor of Arts and Post Graduate Diploma in Management
5	Nature of Expertise in functional areas	Leadership, Strategic Planning, Industry experience, Global business, Corporate Governance with an overall experience of around 43 years.	Leadership, Strategic Planning, Industry experience, Product Development, Domestic Sales and Marketing, Brand Management, Portfolio Expansion with an overall experience of around 26 years	Leadership, Strategic Planning, Industry experience, New Business Development, Manufacturing Operations, Process Improvement, Operational Efficiency, Business Expansion with an overall experience of around 18 years
6	Skills and Capabilities of Independent Director	NA	NA	NA
7	List of other Directorships in India	- Writing Instruments Manufacturers Organization (India) - Flair Writing Equipments Private Limited - Pentel Stationery (India) Private Limited - Flair Pens Limited - Flair Cyrosil Industries Private Limited - Flomaxe Stationery Private Limited	- Flair Writing Equipments Private Limited - Flair Cyrosil Industries Private Limited - Monterosa Stationery Private Limited - Flomaxe Stationery Private Limited - Flair Pens Limited	- Flair Writing Equipments Private Limited - Flair Cyrosil Industries Private Limited - Monterosa Stationery Private Limited - Flomaxe Stationery Private Limited - Flair Pens Limited
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- Nil	Audit Committee- Nil Stakeholders Relationship Committee- Nil
9	Relationship with other Directors and Key Managerial Personnel	Brother of Mr. Khubilal Jugraj Rathod- Chairman & Whole-time Director Father of Mr. Sumit Rathod- Whole-Time Director Uncle of Mr. Rajesh Khubilal Rathod- Whole-Time Director Uncle of Mr. Mohit Khubilal Rathod- Whole-Time Director	Son of Mr. Khubilal Jugraj Rathod- Chairman & Whole-time Director Brother of Mr. Rajesh Khubilal Rathod- Whole-Time Director Nephew of Mr. Vimalchand Jugraj Rathod- Managing Director Cousin of Mr. Sumit Rathod- Whole-Time Director	Son of Mr. Vimalchand Jugraj Rathod- Managing Director Nephew of Mr. Khubilal Jugraj Rathod- Chairman & Whole-Time Director Cousin of Mr. Rajesh Khubilal Rathod- Whole-Time Director Cousin of Mr. Mohit Rathod- Whole-Time Director



Sr. No.	Name of Director	Mr. Vimalchand Jugraj Rathod	Mr. Mohit Khubilal Rathod	Mr. Sumit Rathod
10	No. of Shares held in the Company	1,24,40,887 Equity Shares	82,76,380 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	5 Board meetings out of 7 Board meetings held	4 Board meeting out of 7 Board meetings held
12	Details of Remuneration paid/ sought to be paid	Rs. 84,00,000/- per annum IN FY 2025-26	Rs. 84,00,000/- per annum IN FY 2025-26	Rs. 84,00,000/- per annum IN FY 2025-26
13	Terms and conditions of appointment	Executive Director – Whole- Time Director, liable to retire by rotation	Executive Director – Whole-time Director, re-appointed for a term of five (5) consecutive years from April 1, 2027 to March 31, 2032, liable to retire by rotation.	Executive Director – Whole-time Director, re-appointed for a term of five (5) consecutive years from April 1, 2027 to March 31, 2032, liable to retire by rotation.

Corporate Information

Board of Directors

Name of Directors

Mr. Khubilal Jugraj Rathod

Mr. Vimalchand Jugraj Rathod

Mr. Rajesh Khubilal Rathod

Mr. Mohit Khubilal Rathod

Mr. Sumit Rathod

Mr. Punit Saxena

Mr. Rajneesh Bhandari

Mr. Manoj Vinod Lalwani

Mrs. Sheetal Bhanot Shetty

Mr. Deven Bipin Shah

Category

Chairman & Whole-time Director

Managing Director

Whole-time Director

Whole-time Director

Whole-time Director

Independent Director

Independent Director

Independent Director

Independent Director

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,
Chartered Accountants, Mumbai

Secretarial Auditors

M/s KPUB & Co.,
Practicing 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
Email: Investor.helpdesk@in.mpms.mufig.com

List of Bankers

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



Board's Report

Dear Members,

Your Directors have pleasure in presenting the 10th (Tenth) Annual Report on the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2026.

Financial Performance

The financial performance of your Company for the Financial Year ended March 31, 2026 is summarized below:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	Financial Year ended		Financial Year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Revenue from Operations	101297.04	94931.44	125010.63	107986.03
Other Income	4083.26	3501.06	2076.54	2459.74
Total Income	105380.27	98432.50	127087.17	110445.78
Profit before Finance Cost, Depreciation, Impairment and Amortisation expenses	19587.05	18740.79	24529.94	20933.99
Less: Finance Cost	313.86	383.63	518.81	526.09
Profit before Depreciation, Impairment and Amortisation expenses	19273.19	18357.16	24011.13	20407.9
Depreciation, Impairment & Amortisation expenses	3455.61	3271.14	5306.09	4473.61
Profit before Taxes	15817.58	15086.02	18705.04	15934.29
Less: Provision for Current Tax	4033.63	3871.81	4534.27	4070.40
Provision for Deferred Tax	(5.82)	6.16	39.05	(41.73)
Tax adjustments for the earlier years	(1.95)	(3.22)	(2.90)	(2.81)
Profit for the year	11791.72	11211.27	14134.64	11908.43
Transfer to General Reserve	NIL	NIL	NIL	NIL
EPS (Basic and diluted)	11.19	10.64	13.26	11.35

(amount in Rs.)

Consolidated Financial Statements

The Consolidated Financial Statements of your Company for the Financial Year 2025-26 ('FY 2025-26') ended March 31, 2026 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, we continued to strengthen its position in the writing instruments and stationery industry through sustained focus on product innovation, brand building, distribution expansion, operational excellence and customer-centric initiatives.

On a Standalone basis, revenue from operations increased by 6.71% to Rs 101297.04 lakhs as against Rs 94931.44 lakhs in the previous financial year. The net profit after tax increased by 5.17% to Rs 11791.72 lakhs as against Rs 11211.27 lakhs in the previous financial year.

On a Consolidated basis, revenue from operations increased by 15.77% to Rs 125010.63 lakhs as against Rs 107986.03 lakhs in the previous financial year. The consolidated net profit after tax increased by 18.69% to Rs 14134.64 lakhs as against Rs 11908.43 lakhs in the previous financial year.

Our performance during the year was supported by sustained demand across key product categories, expansion of our product portfolio, continued strengthening of distribution reach, improved market penetration and growth in export business. The Company remains focused on delivering innovative and value-driven products catering to the evolving preferences of consumers across domestic and international markets.

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, 2026, our Company commands the largest distribution and retail footprint in the Indian writing instruments industry, with approximately 166 super-stockists, over 8,000 distributors and dealers, and a robust network of more than 3.30 Lakhs wholesalers and retailers, covering over 6,500 pin codes nationwide. Our dedicated Flair Sporty division operates as the super-stockist for the Mumbai Metropolitan region, further strengthening our regional distribution capabilities.

We maintain a diversified product portfolio across writing instruments, creative stationery and allied product categories

under well-recognised brands including Hauser, Pierre Cardin and Flair Creative, Hauser Artz, Flair Designer Houseware, Flair Electronic Calculators. The Company's integrated manufacturing facilities, coupled with strong product design and development capabilities, continue to support operational efficiencies, product innovation and consistent quality standards.

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.

Transfer to General Reserve

To support the future growth plans and business requirements of your Company, the Board of Directors has decided to retain the entire profits for the financial year ended March 31, 2026. Accordingly, no amount has been transferred to the General Reserve during the year.

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

The Board had recommended a dividend of Rs 1/- per equity share of Rs 5/- each (20%) for the financial year ended March 31, 2025, which was approved by the shareholders at the Annual General Meeting held on August 19, 2025. The said dividend resulted in a cash outflow of Rs. 10,53,95,378/- (Rupees Ten Crore Fifty-Three Lakh Ninety-Five Thousand Three Hundred Seventy-Eight only).

During the financial year 2025-26, the Board of Directors, at its meeting held on January 29, 2026, declared an Interim Dividend of Rs 0.50/- per equity share of Rs 5/- each (10%), resulting in a cash outflow of Rs 5,26,97,689 (Rupees Five Crore Twenty-Six Lakh Ninety-Seven Thousand Six Hundred Eighty-Nine only).

Further, the Board is pleased to recommend a Final Dividend of Rs 0.50/- per equity share of Rs 5/- each (10%) for the financial year ended March 31, 2026. 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 Thursday, August 27, 2026. If approved, the dividend would result in a cash outflow of Rs 5,26,97,689 (Rupees Five Crore Twenty-Six Lakh Ninety-Seven Thousand Six Hundred Eighty-Nine only).

The Board recommended the Interim Dividend and proposed Final Dividend based on the parameters laid down in the Dividend Distribution Policy and the same shall be paid out of the profits of the Company for the year.

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.

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://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatpolicy_Dividend_Distribution_Policy.pdf

Material changes and commitments, if any, affecting the financial position of the Company

No material changes and commitments have occurred from the date of close of the financial year till the date of this Integrated Report, which might affect the financial position of the Company.

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

There was no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of the Company during the financial year under review.

The Authorised Share Capital of the Company stands at Rs 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 Rs 5/- (Rupees Five only) each.

Sub-Division/Split of Equity Shares

During the year under review, there was no sub-division or split of the Equity Shares of the Company. Consequently, there was no change in the face value of the issued, subscribed and paid-up Equity Share Capital of the Company, which continues to be Rs. 5/- per Equity Share.

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.

During the financial year 2025-26, all Related Party Transactions entered into by the Company, as defined under the Act and the SEBI LODR Regulations, were in the ordinary course of business and on an arm's length basis. Further, there were no material Related Party Transactions entered into by the Company that may have had a potential conflict with the interests of the Company. The Audit Committee had granted omnibus approval for Related Party Transactions of a repetitive nature and all such transactions were placed before the Audit Committee for periodic review.

None of the Related Party Transactions entered into during the year attracted the provisions of Section 188 of the Act. Accordingly, the disclosure of Related Party Transactions in Form AOC-2 pursuant to Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules,



2014 is not applicable and therefore does not form part of this Report. The details of Related Party Transactions as required under the applicable Indian Accounting Standards are disclosed in the Notes forming part of the Financial Statements included in this Annual Report.

The Company has adopted a Policy on Related Party Transactions in accordance with the provisions of the Act and the SEBI LODR Regulations to ensure appropriate approval, reporting and disclosure of transactions between the Company and its related parties. The Policy is available on the website of the Company at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatpolicy_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.

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, there was no change in the subsidiary structure of the Company. No company was incorporated, acquired or ceased to be a subsidiary or step-down subsidiary during the year and the existing group structure remained unchanged.

The details of the Company's subsidiaries as on March 31, 2026 are provided below:

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%

As on March 31, 2026, the Company did not have any associates and joint venture companies.

Pursuant to 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 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 27, 2026 between 9:30 am to 11:30 am (IST) 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 of the Company, including the Consolidated Financial Statements together with all documents required to be attached with this Report have been uploaded on website of the Company under Investor Relations page at <https://flairworld.in/>

Pursuant to the provisions of Regulation 16(1)(c) read with Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of Directors of the Company has adopted a Policy for Determining Material Subsidiaries. The said Policy is available on the website of the Company at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatpolicy_Policy_on_Determining_Material_Subsiary.pdf

As on March 31, 2026, Flair Writing Equipments Private Limited ('FWEPL') continued to be a Material Subsidiary of the Company in accordance with the provisions of the SEBI Listing Regulations and the aforesaid Policy.

FWEPL is engaged in the business of manufacturing writing instruments. The management of FWEPL continues to focus on enhancing operational efficiency, strengthening manufacturing capabilities and improving quality standards to achieve sustainable growth. The Board of Directors of FWEPL periodically reviews its performance to ensure alignment with the overall strategic objectives of the Company.

During the financial year 2025-26, revenue from operations of FWEPL increased by 67.91% to Rs. 23,523.71 lakhs as compared to Rs. 14,009.48 lakhs in the previous financial year. The Net Profit After Tax of FWEPL increased by 98.68% to Rs. 2,371.09 lakhs as compared to Rs. 1,193.34 lakhs in the previous financial year.

On a consolidated basis, FWEPL recorded revenue from operations of Rs. 27,094.80 lakhs and Net Profit After Tax of Rs. 14,369.18 lakhs during the financial year 2025-26.

Directors and Key Managerial Personnel

Directors

In accordance with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mr. Vimalchand Jugraj Rathod (DIN: 00123007) and Mr. Mohit Khubilal Rathod (DIN: 00122951) Whole-time Director(s) are liable to retire by rotation at the ensuing AGM and being eligible, offer themselves for 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.

In the opinion of the Board, 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.

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 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.

Board Evaluation

Pursuant to 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, pursuant to Regulation 25(4) of the SEBI (LODR) Regulations, the Independent Directors, at their separate meeting held on February 24, 2026, reviewed and evaluated the performance of the Non-Independent Directors, the Chairman and the Board as a whole.

Board and Committees of the Board

The number of meetings of the Board and various Statutory Committees of the Board including their composition, are set out in the Corporate Governance Report which forming part of this report. The gap between two 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 read with the 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, inter alia, includes 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 Companies Act, 2013 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 available as a separate Annexure forming part of this report

In terms of the 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 available for inspection by the Members at the Registered Office of the Company on all days except Saturday, Sunday and Public Holiday up to the date of the Annual General Meeting i.e. August 27, 2026 between 9:30 am to 11:30 am (IST).

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 General Meeting of the Company.

Accordingly, their term of office of M/s. Jeswani & Rathore, Chartered Accountants, as Statutory Auditors of the Company shall conclude at this Annual General Meeting. The Board of Directors places on record its appreciation for the professional services rendered by them during their tenure.

Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on March 11, 2026, approved the appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) as the Statutory Auditors of the Company for a term of five (5) consecutive years commencing from April 1, 2026, to hold office from the conclusion of the 10th Annual General Meeting until the conclusion of the 15th Annual General Meeting of the Company, subject to the approval of the Members at the 10th Annual General Meeting.

The Statutory Auditor's Report on the Standalone and Consolidated Financial Statements for the financial year ended March 31, 2026 does not contain any qualification, reservation or adverse remark and forms part of the Annual Report.

During the year under review, the Statutory Auditors have not reported any instances of 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, the requirement of maintaining cost records and conducting a Cost Audit is not applicable to the Company for the FY 2025-26.

C. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. KPUB & Co., Company Secretaries (ICSI UIN No. P2015MH069000), were appointed as the Secretarial Auditors of the Company by the Members at the Annual General Meeting held on August 19, 2025, for a term of five consecutive financial years commencing from FY 2025-26 up to FY 2029-30.

The Secretarial Audit Report for the FY 2025-26 with reservation, qualification or adverse remark (if any) of the Company and its Material Subsidiary is attached to this report as **Annexure - III and Annexure - III(A)**.

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 September 30, 2025, was filed 1 day after the date of publication of its standalone and consolidated financial results for the half year ended September 30, 2025 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.

D. Internal Auditors:

The Board of Directors of the Company had appointed M/s. ASA & Associates LLP, Chartered Accountants (Registration No. AAB- 7688) as the Internal Auditor of the Company for the FY 2025-26.

The Internal Auditors periodically reviewed the adequacy and effectiveness of the internal financial controls, operational controls and compliance systems established by the management and provided recommendations for further strengthening of the internal control framework, wherever necessary.

The Internal Audit Reports submitted by the Internal Auditors were periodically reviewed by the Audit Committee. During the financial year under review, no material weakness or significant deficiency in the internal control systems of the Company was reported by the Internal Auditors.

Based on the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s. ASA & Associates LLP, Chartered Accountants, as the Internal Auditors of the Company for the financial year 2026-27.

E. Internal Financial Controls

The Company has in place adequate Internal Financial Controls commensurate with the nature, size and complexity of its business operations. The report on Internal Financial Controls over Financial Reporting issued by M/s. Jeswani & Rathore, Chartered Accountants, Statutory Auditors of the Company, forms part of the Independent Auditors Report. The Statutory Auditors have confirmed that the Company's Internal Financial Controls were adequate and operating effectively as at March 31, 2026, and have not reported any material weakness.

F. Quality Certification

The Company continues to maintain internationally recognized certifications, including ISO 9001:2015 certification for its Quality Management System (QMS), ISO 14001:2015 certification for its Environmental Management System (EMS) and ISO 45001:2018 certification for its Occupational Health and Safety Management System (OHSMS). These certifications demonstrate the Company's commitment to maintaining high standards of quality, operational excellence,

workplace safety and environmental sustainability across its business operations.

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 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 2025-26 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	Nil
Number of cases pending for more than ninety days	Nil

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 leave and other benefits, facilities and entitlements to eligible employees in accordance with the applicable statutory requirements.

The Company is committed to promoting a fair, inclusive and supportive workplace and does not engage in any discriminatory practices against women employees on account of maternity or childbirth. The Company continues to foster a work environment that upholds gender equality and supports the well-being of its employees.

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 Policy provides adequate safeguards against victimisation of persons who use such mechanism and ensures direct access to the Chairperson of the Audit Committee in appropriate cases. Further details of the Vigil Mechanism / Whistle Blower Policy are provided in the Corporate Governance Report forming part of this Annual Report as **Annexure – VIII**.

k. Corporate Social Responsibility (CSR)

Annual Report on CSR activities for the FY 2025-26 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**. 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.

Directors' Responsibility Statement

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

- in the preparation of the annual accounts for the FY 2025-26, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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, 2026 and of the profits of the Company for the period ended on that date;
- 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;
- the annual accounts have been prepared on a going concern basis;
- 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 2026, 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 2025-26 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**.

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.

Awards/Recognitions

Your Company has received the following award during the year under review:

- i. Prestigious Export Award in the "Writing Instruments" category for its outstanding export performance for the years 2023-24 and 2024-25, conferred by The Plastics Export Promotion Council (PLEXCONCIL). The award was presented on November 16, 2025, at Mumbai. The Company has been consistently receiving this recognition for seven consecutive years.

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 2025-26 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.

Acknowledgement

Your Company's organisational culture is founded on professionalism, integrity and continuous improvement across all functions, while ensuring efficient utilisation of resources for sustainable and profitable growth.

Your Directors place on record their sincere appreciation for the dedication, commitment and valuable contributions of the employees at all levels. Your Directors also acknowledge with gratitude the continued support and co-operation received from various Government authorities, banks, financial institutions and other stakeholders, including members, customers, suppliers and business associates.

The continued commitment and dedication of employees at all levels have been instrumental in the Company's growth and success. Your Directors look forward to their continued support and contribution in the years ahead.

For **Flair Writing Industries Limited**

Sd/-
Date: August 03, 2026
Place: Mumbai

Khubilal Jugraj Rathod
Chairman

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

(Rs 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	01-04-2025 to 31-03-2026	01-04-2025 to 31-03-2026	01-04-2025 to 31-03-2026	01-04-2025 to 31-03-2026
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	4993.66	(1430.42)	(61.52)	386.96
6	Total assets	29911.60	10516.22	310.34	4717.29
7	Total Liabilities	24916.94	11546.64	370.86	4320.33
8	Investments	5.10	-	-	-
9	Turnover	23523.71	4158.69	725.42	3668.32
10	Profit before taxation	2870.75	(382.50)	(86.09)	515.31
11	Provision for taxation	499.67	(66.87)	(21.64)	133.39
12	Profit after taxation	2371.09	(315.63)	(64.45)	381.92
13	Proposed Dividend	NIL	NIL	NIL	NIL
14	% of shareholding	100%	90%	100%	51%

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:

- Names of subsidiaries which are yet to commence operations: NA
- Names of subsidiaries which have been liquidated or sold during the year: NA

For **Flair Writing Industries Limited**

Sd/-

Khubilal Jugraj Rathod

Chairman & Whole-Time Director

DIN: 00122867

Place: Mumbai

Date: August 03, 2026

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 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 are as under:

Sr. No	Name of the Director / KMP	Designation	Ratio of remuneration to median remuneration	% increase in Remuneration in the FY 2025-26
1.	Mr. Khubilal Jugraj Rathod	Chairman & Whole-time Director	54.95	15.70%
2.	Mr. Vimalchand Jugraj Rathod	Managing Director	54.95	15.70%
3.	Mr. Rajesh Khubilal Rathod	Whole-time Director	54.95	15.33%
4.	Mr. Mohit Khubilal Rathod	Whole-time Director	54.95	15.33%
5.	Mr. Sumit Rathod	Whole-time Director	54.95	15.33%
6.	Mr. Alpesh Porwal	Chief Financial Officer	78.49	66.67%
7.	Mr. Vishal Chanda	Company Secretary & Compliance Officer	10.73	20.00%

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 5.59%.
- C. Number of permanent employees on the rolls of the Company: There were 5,452 permanent employees on the rolls of Company as on March 31, 2026.
- 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. 2025-26 was 8.79% whereas the increase in the managerial remuneration for the same financial year was 23.82%. 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: August 03, 2026

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, 2026

[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, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 And the Regulations and Bye-laws framed thereunder;
- iv. 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, 2025 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).

*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 September 30, 2025, was filed one day after the date of publication of its standalone and consolidated financial results for the half year ended September 30, 2025 on the BSE Limited (Stock Exchange).

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.

We Further report that during the audit period the Company has undertaken following event/action having major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards, etc.

- (i) The Board of directors of the listed entity have 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.
- (ii) The Company declared final dividend of Rs. 1/- per equity share on paid up equity share of Rs. 5/- each of the Company in compliance with the provisions of section 123 of Companies Act, 2013 which was approved by shareholders at the Annual General Meeting held for the financial year 2024-2025 on August 19, 2025, amounting to Rs. 10,53,95,378/-
- (iii) The Company declared Interim dividend of Rs. 0.50/- per equity share on paid up equity share of Rs. 5/- each of the Company in compliance with the provisions of section 123 of Companies Act, 2013 which was approved by Board of Directors at its Meeting held on January 29, 2026, for the financial year 2025-2026 amounting to Rs. 5,26,97,689/-

For **KPUB & CO.,**
Company Secretaries
ICSI UIN No.: P2015MH069000

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
Mumbai | August 03, 2026
ICSI UDIN: A039702H000999562

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, 2026 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
ICSI UIN No.: P2015MH069000

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
Mumbai | August 03, 2026
ICSI UDIN: A039702H000999562

**Annexure-III(A)****Form No. MR-3****SECRETARIAL AUDIT REPORT OF FLAIR WRITING EQUIPMENTS PRIVATE LIMITED**

(Material Subsidiary of Flair Writing Industries Limited)

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026**[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 EQUIPMENTS PRIVATE LIMITED

CIN: U36991DD2019PTC009856

Sr.No.370/2-A, Daman Vapi Road, Kachigam,

Nani, Daman and Diu, India,396210

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Flair Writing Equipments Private 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, 2026** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;(Not Applicable)
- 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;(Not Applicable)
- 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’) (Not Applicable during Audit Period): -
 - 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, 2025 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 Company being Unlisted Private Limited Company, the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

We further report that -

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, 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.

We further report that during Audit Period:

- (i) Pursuant to Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Deven Bipin Shah (DIN: 00604010), an Independent Director of Flair Writing Industries Limited (the Holding Company), was appointed as an Additional Director of the Company in the capacity of Non-Executive Independent Director with effect from June 2, 2025. Subsequently, he was regularized as a Non-Executive Independent Director of the Company at the Annual General Meeting held on August 18, 2025
- (ii) M/s. Jeswani & Rathore, Chartered Accountants (FRN: 104202W), were re-appointed as the Statutory Auditors of the Company for a term of five (5) years, from the conclusion of the 6th Annual General Meeting until the conclusion of the 11th Annual General Meeting, at the Annual General Meeting held on August 18, 2025.

For KPUB & CO.,

Company Secretaries

ICSI UIN No.: P2015MH069000

Keshav Purohit

Partner

ACS No: 39702; C P No.: 20471

Mumbai | August 03, 2026

ICSI UDIN: A039702H000999617

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

**‘Exhibit 1A’**

To

The Members,

FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

CIN: U36991DD2019PTC009856

Sr.No.370/2-A, Daman Vapi Road, Kachigam,
Nani, Daman and Diu, India,396210

Our Secretarial Audit Report for the Financial Year ended on March 31, 2026 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

ICSI UIN No.: P2015MH069000

Keshav Purohit

Partner

ACS No: 39702; C P No.: 20471

Mumbai | August 03,2026

ICSI UDIN: A039702H000999617

Annexure-IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR FINANCIAL YEAR 2025-26

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	1
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/Corporatpolicy_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 Rs.)	Amount utilised/set- off during the financial year (in Rs.)
1	FY 2025-26	17,57,419	17,57,419

- 6) Average net profit of the Company as per section 135(5): Rs 1,53,52,22,444/-
7. (a) Two percent of average net profit of the Company as per section 135(5): Rs. 3,06,90,920/-
- (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: Rs 17,57,419/-
- (d) Total CSR obligation for the financial year (7a+7b- 7c): Rs 2,89,33,501/-



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

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Total Amount transferred to funds specified under Schedule VII pursuant to second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
1,71,83,200	1,17,50,301	April 21, 2026		NIL	

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

Sr. No	Name of Project	Implementing Agency	Location	CSR Sector (Schedule VII)	Amount spent during the financial year (in Rs.)
1.	Construction of School Building of Adarsh Vidyalaya	Shree Khetlaji Mandal	Sadri, Pali District, Rajasthan	Promotion of Education	11,00,000

- (c) Details of CSR amount spent against other than ongoing projects for the financial year: Rs 1,60,83,200/-

- (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): Rs 1,71,83,200/-

- (g) Excess amount for set off, if any

Sr. No	Particular	Amount (In Rs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	2,89,33,501
(ii)	Total amount spent for the Financial Year	1,71,83,200
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(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)]	NIL

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 Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
							NIL

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

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**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- 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)-

The Company has identified the construction of the Adarsh Vidyalaya School Building, implemented through Shree Khetlaji Mandal, as an ongoing CSR project. Based on the recommendation of the CSR Committee by way of Circular Resolution dated 17th December, 2025, and pursuant to the approval of the Board of Directors at its meeting held on 19th December, 2025, the unspent CSR amount pertaining to the financial year has been earmarked for the said ongoing project. Accordingly, the unspent amount has been transferred to the Unspent CSR Account in compliance with the provisions of Section 135(6) of the Companies Act, 2013 and shall be utilised for the implementation of the said project within the prescribed statutory timeline.

For **Flair Writing Industries Limited**

Sd/-

Khubilal Jugraj Rathod

Whole-Time Director & Chairman

DIN: 00122867

Sd/-

Vimalchand Jugraj Rathod

Managing Director

DIN: 00123007

Date: August 03, 2026

Place: Mumbai

Registered Office-

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



Annexure VII

CONSERVATION OF ENERGY:

The Company continues to accord high priority to the conservation of energy and natural resources as part of its operational and sustainability objectives.

The Company remains in compliance with applicable statutory requirements and continues to adopt environmentally responsible practices across its operations. These include optimization of natural lighting and ventilation, supported by structured awareness initiatives aimed at promoting energy-efficient practices among employees.

The Company is also committed to strengthening sustainable supply chain practices, with emphasis on green logistics aimed at reducing resource consumption, environmental impact, and emissions across storage, transportation, and packaging operations. The Company continues to evaluate and implement renewable energy solutions and energy-efficient technologies across its facilities.

Key Energy Conservation Initiatives Undertaken:

- Installation of energy-efficient manufacturing machines to optimize energy consumption and enhance operational efficiency.
- Replacement of conventional electrical systems with energy-efficient 5-star rated equipment.
- Augmentation and Installation of solar power generation capacity at the Company's Valsad and Dehradun facilities.
- Deployment of servo-based moulding machines enhancing energy efficiency and process precision.
- Implementation of structured retrofit programmes for optimisation of energy consumption and productivity.
- Strengthening of preventive maintenance practices to ensure efficient operation of plant and machinery.
- Continuous optimisation of operational processes for improved energy management and efficiency.

TECHNOLOGY ABSORPTION:

Efforts made towards technology absorption:

The Company continued its efforts towards technology absorption through the adoption of advanced manufacturing technologies, automation and process improvement initiatives aimed at enhancing manufacturing efficiency, product quality and productivity. During the year, the Company also implemented robotic automation solutions for material handling operations, including automated movement and placement of boxes/cartons, resulting in improved operational efficiency and optimisation of manufacturing processes.

Benefits derived such as product improvement, cost reduction, product development or import substitution:

The Company continues to strengthen its manufacturing capabilities and operational efficiency through continuous improvement initiatives. Focus areas include enhancement of productivity, cost optimization, and gradual substitution of imported materials and components with cost-effective alternatives, without compromising product quality and performance standards.

Imported Technology (during the last three years):

The Company utilises high-precision machinery and moulds sourced from Germany, South Korea, China, Spain, and Switzerland, in addition to equipment manufactured domestically. These technologies support advanced manufacturing processes and operational efficiency.

The Company has implemented automated and semi-automated systems for assembly and packaging of pens and continues to strengthen backward integration through in-house manufacturing of selected components.

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 Rs. 19,961 lakhs, compared to Rs 15,765.89 lakhs in the previous year. The foreign exchange outgo (actual outflows) was Rs. 14,622.97 lakhs, compared to Rs 16,657.37 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

(Khubilal Jugraj Rathod)

Place: Mumbai
Date: August 03, 2026

Chairman & Whole-Time Director
DIN: 00122867

Annexure V

Management Discussion and Analysis

Economic Environment

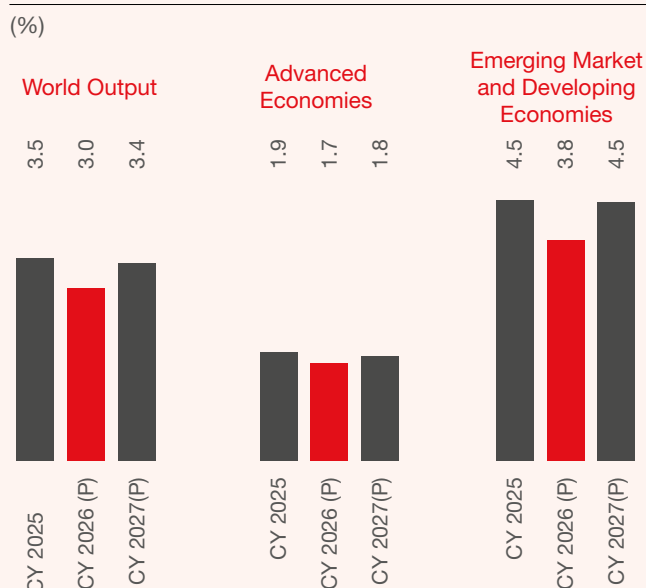
Global Economic Overview

Global economic activity remained resilient in CY 2025 despite persistent policy uncertainty, geopolitical tensions and evolving trade dynamics, with growth estimated at around 3.5%. Economic momentum was driven by strong demand across the services sector, relatively stable labour markets in major economies and continued investments in technology and digital infrastructure. Global trade remained stable despite headwinds, supported by supply chain diversification and strategic redirection of exports.

Growth remained uneven across regions. Advanced economies recorded slower expansion of around 1.9%, as elevated interest rates in the United States and the Euro Area weigh on economic activity. In contrast, emerging markets expanded at a faster pace of approximately 4.5%, contributing a larger share to global growth, supported by resilient domestic demand and infrastructure-led expansion.

Investment activity remained below historical averages, as elevated borrowing costs and cautious business sentiment constrained capital expenditure. Trade policies, including tariff revisions and export controls across key sectors, continued to influence supply chains and investment decisions, while front-loaded shipments ahead of anticipated tariff changes provided temporary support to global trade flows.

Global GDP Growth



P- Projections

Source: IMF, World Economic Outlook, July 2026

Outlook

The global economic outlook remains moderate, with growth projected at around 3.0% in CY 2026 and 3.4% in CY 2027, indicating a gradual moderation from recent levels. Global headline inflation is expected to remain elevated in the near term at around 4.4% in CY 2026, before easing to 3.7% in CY 2027 as supply-side pressures stabilise.

The outlook continues to be shaped by rising geopolitical uncertainties, particularly the escalation of conflict in West Asia in early 2026. The disruption has increased volatility in commodity markets, especially energy, while influencing inflation expectations and financial conditions. Prolonged disruptions could result in sustained pressure on energy prices, tighter financial conditions and weaker global demand.

Growth across advanced economies is expected to remain moderate, while emerging and developing economies are projected to grow at around 3.8% in CY 2026 and 4.5% in CY 2027, continuing to drive global growth. However, these economies remain vulnerable to external shocks, including capital flow volatility and currency headwinds.

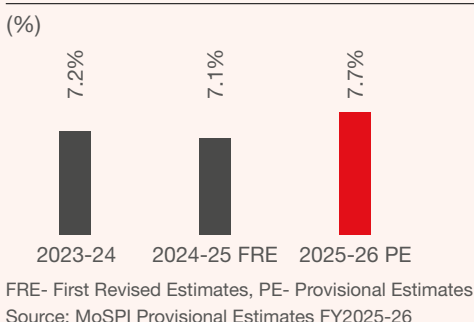
Medium-term prospects are supported by continued investments in technology, digital infrastructure and supply chain diversification. Nevertheless, risks remain tilted to the downside, due to geopolitical tensions, commodity price volatility, elevated public debt levels and financial market instability.

The trajectory of the global economy will depend on the ability of countries to manage geopolitical risks, maintain macroeconomic stability and sustain investment momentum in an evolving global environment.

Indian Economic Overview

The Indian economy remained resilient in FY2025-26, with real GDP growth estimated at 7.7%, supported by robust domestic demand and stable macroeconomic fundamentals. Growth was driven by a combination of private consumption and sustained public capital expenditure, with private final consumption expenditure accounting for 56.7% of GDP during the year.

India's GDP Growth



¹<https://www.imf.org/en/publications/weo/issues/2026/07/08/world-economic-outlook-update-july-2026>

²https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf



Investment activity also strengthened during the year, with gross fixed capital formation contributing nearly 32% of GDP and growing by 9.9%, reflecting continued infrastructure spending and gradual recovery in private sector investment. On the supply side, the services sector remained a key contributor, while manufacturing activity gained momentum, supported by infrastructure development and improving capacity utilisation.

Inflation remained relatively moderate for most of the year before witnessing a gradual increase towards the close of FY2025–26. Consumer price inflation rose from 2.7% in January 2026 to 3.4% in March 2026, primarily led by food price pressures.

Policy focus remained centred on strengthening long-term growth drivers. Continued emphasis on infrastructure development, logistics expansion and fiscal consolidation supported economic activity. Structural reforms, including GST rationalisation and measures to widen the tax base, contributed to improving formalisation and efficiency, while Production-Linked Incentive (PLI) schemes continued to support manufacturing expansion and integration with global supply chains.

At the same time, the external environment remained a key area of sensitivity. Global trade uncertainties, capital flow volatility and geopolitical developments, particularly the conflict in West Asia, have implications for energy prices, trade flows and financial conditions.

Outlook

India's growth outlook remains resilient, supported by strong domestic fundamentals and continued policy support. Real GDP growth is projected at around 6.6% in FY2026-27, with domestic demand expected to remain the primary growth driver.

Private consumption is likely to remain strong, supported by stable macroeconomic conditions, improving income levels and continued recovery in rural demand alongside steady urban consumption. Investment activity is expected to sustain momentum, driven by continued public capital expenditure and improving private sector participation.

Inflation is expected to witness a moderate increase in the coming year, with risks arising from energy price volatility and weather-related uncertainties. As per the recent forecasts, a below-normal monsoon could impact agricultural output and rural demand, while exerting upward pressure on food prices in the near term.

Ongoing trade agreements and tariff rationalisation measures may provide incremental support for export growth over the medium term. However, global uncertainties may lead to supply chain disruptions, financial market volatility and pressure on external demand and capital flows.

The Union Budget 2026-27 reaffirmed the government's commitment to infrastructure-led growth while sustaining fiscal consolidation. Public capital expenditure was raised to ₹12.2 trillion for FY2026-27, up from ₹11.2 trillion in FY2025-26.

Overall, India's macroeconomic fundamentals, supported by sustained policy focus, infrastructure development and digital expansion, position the economy to navigate global uncertainties while maintaining steady growth momentum.

Industry Overview

Global Writing Instrument Industry

The writing instruments market continues to demonstrate stable demand dynamics, driven by institutional consumption, recurring academic usage and evolving consumer preferences. The market was valued at USD 47.64 billion in 2025 and is estimated to reach USD 50.1 billion in 2026, reflecting growing consumption across regions.

The product landscape includes pens, pencils, colouring instruments, highlighters and specialised writing tools, catering to diverse consumer requirements. Pens account for the largest share, driven by their widespread usage across educational institutions, office and everyday application. Educational institutions remain a key demand driver, supported by improving access to schooling and expanding educational infrastructure across emerging markets.

Consumer preferences are gradually shifting towards higher-quality and differentiated products. Demand for premium and design-oriented offerings is increasing, while colouring instruments are emerging as a faster-growing category, supported by rising interest in creative learning and hobby-based activities. Manufacturers are investing in improved ink performance, ergonomic designs and sustainable materials to enhance product appeal and usability.

Distribution continues to be led by traditional channels, with stationery stores maintaining a strong presence due to consumer preference for physical product evaluation. Simultaneously, online channels are expanding rapidly, supported by wider accessibility and increasing product customisation options. Regionally, Asia-Pacific leads the market, driven by a large student population and continued emphasis on education and literacy across emerging economies.

The global writing instruments market is projected to reach USD 77.97 billion by 2034, registering a CAGR of 5.69%, supported by sustained demand, product innovation and expanding market access.

³https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

⁴https://www.mospi.gov.in/uploads/latestreleasesfiles/1776078391571-Press_Release_of_CPI_March_2026.pdf

⁵https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62863

⁶https://prsindia.org/files/budget/budget_parliament/2026/Union_Budget_Analysis-2026-27.pdf

⁷<https://www.fortunebusinessinsights.com/writing-instrument-market-113154>

Indian writing instrument industry

The Indian writing instruments industry represents a large consumption-driven market, supported by the country's extensive education ecosystem and widespread usage across academic and professional settings. The market stood at USD 858.03 million in 2025 supported by a vast student base, with India's school system catering to over 24.8 crore students across 14.72 lakh schools, ensuring consistent demand for writing instruments.

Pens dominate the product mix, accounting for 65.0% of the market in 2025, driven by their affordability, refillable nature and widespread adoption across schools and offices. Ball point pens remain the most widely used category owing to their durability and cost efficiency, supporting high-volume consumption across user segments.

From an application perspective, students constitute the largest consumer segment, contributing nearly 80.0% of total demand. This reflects the scale of India's education system and the recurring nature of academic consumption.

Distribution within the Indian market continues to be dominated by traditional retail channels, with stationery stores accounting for 48.5% of total sales in 2025. Their proximity to schools and residential areas, combined with product variety and

personalised service, continues to support consistent consumer footfall and purchasing activity.

Regionally, West India holds the largest market share at 30.0%, supported by a high concentration of educational institutions and commercial centres in cities such as Mumbai and Pune, along with strong distribution networks and manufacturing presence in states such as Gujarat.

The industry is witnessing gradual shifts in consumer preferences, with increasing demand for branded and ergonomically designed products, particularly in urban markets. At the same time, affordability remains a critical factor in rural and semi-urban regions, where a significant share of volumes is concentrated. The growing presence of organised players, alongside a fragmented unorganised segment, continues to shape the competitive landscape.

In addition, the expansion of e-commerce platforms is improving product accessibility across Tier II and Tier III cities, enabling consumers to access a wider range of products and brands. The Indian writing instruments market is expected to reach USD 1,070.50 million by 2034, growing at a CAGR of 2.40% over the forecast period. This is backed by a large and expanding education base, improving distribution reach and evolving consumer preferences.



⁹<https://www.imarcgroup.com/india-writing-instruments-market>



Global stationery industry

Demand for stationery products is driven by everyday requirements across educational institutions, workplaces, households and creative applications. Consumption spans a wide range of categories, notebooks, paper stationery, filing and organisational products, school and office supplies, art and craft materials, adhesives, activity kits and other allied products, reflecting a broad consumer base across both residential and commercial segments.

The global market was valued at USD 165.87 billion in 2025 and is estimated to reach USD 173.93 billion in 2026. Growth is supported by expansion of the global education sector, increasing enrolment levels and rising interest in creative activities such as drawing, painting and craft-based applications, which are driving demand for specialised stationery products. Demand for notebooks, paper products, filing solutions and educational accessories is also supported by their recurring use across schools, universities, offices and households. In addition, the shift towards home-based work environments has expanded usage across residential settings. Hybrid working and learning arrangements are generating demand for home-office supplies, organisational products and functional stationery designed for use across multiple environments.

Consumer preferences are gradually moving towards branded, better-designed and value-added stationery. Premium notebooks, planners, journals, creative kits and aesthetically designed office supplies are gaining attention, while sustainable paper, recyclable materials and environmentally responsible packaging are influencing product development.

Asia-Pacific leads the global market, supported by strong demand across emerging economies with large student populations and increasing investments in education infrastructure. While the growing adoption of digital tools presents a structural constraint for traditional stationery products, continued demand across education, creative and office applications continues to support overall market stability. The market is projected to reach USD 268.08 billion by 2034, registering a CAGR of 5.56% during the forecast period.

Indian stationery industry

India represents a significant component of the Asia-Pacific stationery market, supported by its large education base and widespread usage across academic, office and household

applications. The market is estimated to reach USD 18.08 billion by 2026, reflecting robust consumption across paper stationery, school and office supplies, art and craft materials and other allied stationery categories. Demand continues to be anchored in everyday academic usage, supported by a large and expanding student population and ongoing expansion in educational infrastructure.

The industry remains largely volume-driven, with notebooks, paper products, files, folders, adhesives, geometry and school supplies, office stationery, art materials and activity-based products forming important components of consumption. Their recurring use across schools, offices and households provides a broad and stable demand base.

Rising student enrolment and increasing emphasis on structured learning continue to support demand, while growing interest in creative activities is driving consumption of art supplies, craft materials, school activity products and educational kits. Consumers are gradually shifting towards branded and better-quality products, particularly in urban markets. This shift is encouraging organised companies to introduce differentiated products with improved design, functionality, packaging and age-specific applications.

Distribution channels are evolving with the expansion of organised retail and improving accessibility across Tier II and Tier III cities, strengthening product availability and market reach. In addition, demand from offices, educational institutions and home-based work environments continues to support steady consumption. Traditional stationery stores retain an important role due to their proximity to schools and residential areas, while e-commerce and modern retail are improving access to branded and specialised stationery products.

Demand is also expanding beyond conventional school and office products towards creative, hobby-based and activity-led stationery. Products such as art kits, craft supplies, colouring materials and learning-based activity sets are gaining relevance as parents and educational institutions place greater emphasis on creativity and experiential learning.

The combination of large-scale academic usage, rising preference for branded products and expanding distribution networks is expected to sustain growth in the Indian stationery market.

⁹<https://www.fortunebusinessinsights.com/stationery-products-market-104633>

¹⁰<https://www.fortunebusinessinsights.com/stationery-products-market-104633>



Government Initiatives

Union Budget FY2026-27 – Education Allocation and Focus

The Ministry of Education has been allocated ₹1,39,289 crore in FY2026–27, reflecting a 14% increase over the revised estimates of FY2025–26. The allocation underscores the Government's continued focus on strengthening school education, higher education and research capabilities. Of the total allocation, 60% has been earmarked for school education and 40% for higher education, highlighting balanced emphasis across foundational and advanced learning systems.

Samagra Shiksha Scheme

Samagra Shiksha remains the flagship programme for school education, with an allocation of ₹42,100 crore in FY2026–27, accounting for nearly 30% of the Ministry's budget. The scheme supports implementation of the National Education Policy (NEP) 2020, focusing on universal access, educational equity, teacher training and integration of vocational education within schools.

PM SHRI Schools Initiative

The PM SHRI scheme aims to upgrade nearly 14,500 government schools in line with NEP 2020 standards. An allocation of ₹7,500 crore has been made in FY2026–27, reflecting a 67% increase over the previous year. As of early 2026, over 13,000 schools had already upgraded under the initiative.

PM USHA (Higher Education Development)

PM USHA focuses on strengthening infrastructure and quality standards in higher education institutions, including the development of digital infrastructure and multidisciplinary institutions. The scheme has been allocated ₹1,850 crore in FY2026-27, marking a significant increase over the previous year to support higher education reforms.

PM-Vidyalaxmi Scheme

The scheme aims to improve access to higher education through collateral-free and guaranteed education loans, with government support covering a significant portion of loan risk. It targets students admitted to premier institutions and is expected to benefit nearly 7 lakh students during the implementation period, enhancing affordability and access to quality education.

Global Steel Bottle Industry

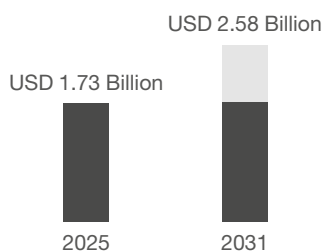
Rising preference for reusable and durable hydration solutions is driving demand for stainless steel water bottles, with increasing adoption across everyday, travel and outdoor usage. Stainless steel bottles offer advantages such as temperature retention, durability and safety, making them a preferred alternative to single-use plastic bottles.

¹¹https://prsindia.org/files/budget/budget_parliament/2026/DfG_Analysis_2026-27-Education.pdf

¹²https://prsindia.org/files/budget/budget_parliament/2026/DfG_Analysis_2026-27-Education.pdf



Global Stainless Steel Water Bottle Market



Source: Research and Markets Report

The market is projected to grow from USD 1.73 billion in 2025 to USD 2.58 billion by 2031, registering a CAGR of 6.89%. Growth is supported by increasing environmental awareness and rising consumers preference for sustainable and reusable products, along with a rising focus on personal health and hydration. Expanding participation in fitness activities, travel and outdoor recreation is also driving demand for portable and long-lasting beverage containers.

Product innovation and evolving consumer preferences are shaping the industry, with increasing demand for insulated bottles, premium designs and enhanced functionality. The market is also witnessing shifts in distribution strategies, including increased adoption of direct-to-consumer channels and emphasis on sustainable material sourcing.

Indian Steel Bottle Industry

Adoption of stainless steel bottles in India is increasing as consumers move towards durable and reusable hydration products. The transition is supported by regulatory measures restricting single-use plastics and growing preference for products offering long-term usability across daily, workplace and travel applications.

The market is largely driven by urban consumption, backed by rising disposable incomes and changing lifestyle patterns that are increasing demand for insulated and design-led products. Stainless steel bottles are gaining traction across multiple segments, including household usage, office environments and on-the-go consumption segments. Institutional demand, particularly from corporate gifting and promotional merchandise categories, is also contributing to volume growth.

Manufacturers are expanding product offerings with enhanced insulation, portability and aesthetic appeal to cater to evolving consumer preferences. Distribution reach is strengthening through organised retail and e-commerce platforms, which is enabling access across non-metro markets. Continued preference for reusable products, along with expanding application across lifestyle and functional segments, is expected to support steady growth in the Indian stainless steel bottle market.

Global Houseware Market

The global houseware market is shaped by evolving household consumption patterns, with increasing focus on functionality, durability and design across everyday-use products. Demand

remains anchored in utility-driven categories, particularly kitchenware, where product performance and convenience strongly influence purchase decisions.

The market is estimated at USD 357.1 billion in 2025 and is projected to reach USD 533.6 billion by 2035, growing at a CAGR of 4.1%. Growth is supported by urbanisation, expansion of organised retail and the increasing reach of branded products. Cookware and bakeware account for the largest share of around 32.5%, reflecting their essential role in daily food preparation and consistent household demand.

Consumer preferences are evolving towards durable, multi-functional and aesthetically designed products, with increasing demand for premium offerings. Product innovation is being shaped by sustainability considerations, compact formats and alignment with modern kitchen and home environments.

Distribution continues to be led by supermarkets and hypermarkets, supported by product variety, pricing and convenience, while e-commerce platforms are expanding product accessibility across regions. Sustained demand across essential household categories, combined with product innovation and expanding distribution reach, is expected to support long-term growth.

Indian Houseware Market

India's houseware market is expanding steadily, supported by rising urbanisation, increasing disposable incomes and evolving consumer preferences for organised and modern household products. Demand remains concentrated in kitchenware and other daily-use categories, with consumers gradually shifting from traditional utensils to branded, durable and better-designed products that offer convenience and long-term usability.

The kitchenware segment, a key component of the houseware market, was valued at USD 6.7 billion in 2025 and is projected to reach USD 11.5 billion by 2034, registering a CAGR of 5.91%. Growth is supported by increasing adoption of modular kitchens and rising preference for space-efficient and multi-functional products. Consumers are opting for materials such as stainless steel, ceramic and silicone that offer durability, ease of maintenance and safety.

In addition, exposure to global cooking trends through digital platforms and social media, is influencing purchasing behaviour, leading to higher adoption of advanced and specialised kitchenware.

Expansion of e-commerce and direct-to-consumer platforms is transforming market accessibility by enabling wider availability of products across Tier II and Tier III cities. Online channels offer greater product variety, competitive pricing and convenience, supporting the growth of branded and premium categories. Institutional demand, including corporate gifting and promotional segments, is also contributing to volume growth. These factors are expected to support the continued expansion of the Indian houseware market.

¹³<https://www.futuremarketinsights.com/reports/houseware-market>

¹⁴<https://www.imarcgroup.com/india-kitchenware-market>

Company Overview

Incorporated in 2016, Flair Writing Industries Limited has evolved from one of the leading writing instruments manufacturers into a diversified consumer products company with a growing presence across writing instruments, stationery, creative products and emerging lifestyle categories. With its origins dating back to 1976, the Company has built a legacy of over five decades and established itself as a trusted brand known for quality, innovation and design excellence.

The Company offers a comprehensive and expanding product portfolio comprising over 1233 products across multiple brands and categories. Its core writing instruments are marketed under the Flair and Hauser brand, complemented by premium offerings by Pierre Cardin. Its innovation-led and creative portfolio is represented through Flair Creative and Hauser Artz. The portfolio further extends into adjacent categories such as steel bottles, houseware products and calculators, enabling the Company to cater to a wide spectrum of consumer needs.

380

Design registrations and trademark filed

Flair's business is supported by strong in-house manufacturing capabilities, with 11 strategically located manufacturing plants across India, enabling scale, operational efficiency and consistent product quality. Capacity expansion and automation continue to remain key focus areas, with the new manufacturing unit at Valsad and expansion at the Flomaxe Surat facility expected to strengthen production capabilities across writing instruments, stationery and creative product categories.

166

Super-stockist

8,000+

Distributor

3,30,000+

Wholesaler & Retailer

The Company has established one of the industry's most extensive distribution networks, supported by a wide base of super-stockists, distributors and retailers, ensuring deep market penetration across urban and rural markets. Its strong domestic presence is complemented by a well-established international presence, with exports to over 115 countries, reinforcing its position as one of India's leading exporters of writing instruments and stationery products.

During FY2025-26, the Company witnessed steady growth across its business segments, supported by robust demand in both domestic and export markets. Growth was driven by the strong performance of its core brands, alongside increasing contribution from its creative and lifestyle segments, which witnessed healthy traction during the year.

The Company remains focused on strengthening its brand-led growth strategy through portfolio expansion, operational efficiency enhancement and continued investments in scalable manufacturing capabilities. Backed by a diversified portfolio, strong distribution reach and sustained focus on innovation, Flair is well positioned to drive long-term sustainable growth and strengthen its market presence across categories.

Segment-wise Performance

Pens

The Company designs, manufactures and markets a diverse range of pens across formats and price segments, catering to everyday writing needs as well as premium usage. Its portfolio includes ball pens, gel pens, fountain pens, roller pens and metal pens, supported by a strong brand portfolio, including Flair, Hauser and Pierre Cardin. This enables the Company to cater to a broad consumer base across mass, mid and premium segments.

In FY2025-26, the pens segment reported revenue of ₹ 848.30crore, registering year-on-year growth of 2%. The segment delivered steady performance during the year, supported by consistent demand across domestic and export markets. Growth was primarily driven by the Company's own brands, alongside a gradual shift in the business mix towards branded products.

The pens business continues to remain the Company's largest contributor, providing stability to overall performance through strong brand recall, high product turnover and deep distribution reach.

Strategy Forward

The Company continues to strengthen its position in the pens segment through portfolio enhancement and improved realisations across categories. Focus remains on introducing differentiated products with improved design, writing quality and user experience.

Increasing the share of branded sales continues to be a strategic priority, supported by product mix optimisation and expansion within premium segments. The Company is also focused on widening market reach through its distribution network and improving visibility across retail channels.

Investments in manufacturing capacity, automation and process efficiencies are expected to support further growth while strengthening quality control and cost optimisation.

Stationery Products

The Company's stationery and creative products segment comprises a broad portfolio of school stationery, colouring products, art materials and activity-based kits, marketed under brands such as Flair Creative and Hauser Artz. Catering primarily to students and hobby users, the portfolio combines functionality with design to address evolving consumer preferences across age groups. The Company also offers electronic calculators under the Flair brand, including desktop, pocket and scientific variants, for students and professionals.



In FY2025–26, the segment recorded revenue of ₹297.80 crore, registering a year-on-year growth of 74%. The business scaled up during the year, driven by new product introductions, portfolio expansion and increasing market acceptance. The Company launched multiple products across categories, strengthening its presence in the creative segment and enhancing shelf visibility across retail channels. Electronic calculators also made a stable contribution during the year.

Growth in the segment was further supported by increasing in-house manufacturing capabilities, including capacity expansion at the Flomaxe Surat facility, enabling better production control, faster response to market demand and improved product availability. Supported by rising demand for creative and activity-based products, the segment has emerged as a key growth driver for the Company.

Strategy Forward

The Company remains focused on scaling its stationery and creative products segment through continuous portfolio expansion and targeted product development. Key priorities include broadening the product range with differentiated offerings catering to school-going children and hobby users. The Company is also strengthening its in-house manufacturing capabilities to improve turnaround time and enhance cost efficiencies.

Efforts are being directed towards improving visibility across retail formats, including modern trade and e-commerce platforms, supported by focused marketing initiatives. The Company is further leveraging its distribution network to deepen market penetration and enhance product availability across markets. With continued focus on innovation, portfolio expansion and

distribution-led growth, the segment is expected to contribute an increasing share to the Company's overall business.

Steel Bottles and Houseware Products

Expanding beyond its core stationery portfolio, the Company has established a growing presence in lifestyle and utility-driven categories to cater to evolving consumer needs and diversify its product offerings. This portfolio includes stainless steel insulated bottles, flasks and household utility products such as storage and serving solutions, designed for everyday use.

In FY2025–26, the segment recorded revenue of ₹85.40 crore, registering a year-on-year growth of 95%. The business witnessed strong scale-up during the year, with steel bottles and houseware products emerging as key growth drivers. Revenue from these categories recorded strong year-on-year growth, supported by rising demand and portfolio expansion.

Growth was supported by portfolio expansion through new designs and capacities in steel bottles, along with improved visibility across distribution channels. The Company also leveraged its existing network to scale these emerging categories, resulting in higher contribution to overall revenues.

Strategy Forward

The Company remains focused on strengthening its presence in lifestyle and utility products through portfolio expansion and enhanced product design and functionality. Key priorities include introducing new variants across steel bottle and houseware categories, strengthening manufacturing capabilities to support scale and improving product availability across markets. The Company is also leveraging its distribution network to increase reach and visibility across retail channels.

Brands



Flair

Flair is the Company's flagship brand, offering a comprehensive range of everyday writing instruments. The portfolio includes ball pens, gel pens, fountain pens, roller pens and mechanical pencils, along with utility products such as correction pens and refills. The brand caters to high-volume segments with products suited for daily writing across schools, offices and general use.



Pierre Cardin

Pierre Cardin operates in the premium writing instruments segment, offering metal pens, roller pens and fountain pens designed for gifting, corporate use and premium retail. The portfolio focuses on superior finishes, premium packaging and customisation options for institutional and gifting requirements.



HAUSER

Hauser caters to mass and mid-premium segments with a focus on smooth-writing pens. The portfolio includes ball pens, gel pens and roller pens designed to deliver consistent ink flow and writing comfort. The brand has established a strong presence across school and office categories, where performance and reliability remain key purchase drivers.



Flair Creative

Flair Creative comprises a broad portfolio of stationery and creative products, including sketch pens, colour pencils, wax crayons, oil pastels, activity kits and school stationery sets. The range is designed for students and hobby users, supporting drawing, colouring and activity-based learning.



HAUSER ARTZ

Hauser Artz focuses on specialised art and hobby products. The portfolio includes premium colouring tools, sketching materials and art supplies designed for users seeking enhanced precision and superior finish across creative applications.



Flair Designer Houseware

This category includes stainless steel vacuum-insulated bottles, flasks and hydration solutions designed for temperature retention and portability. The portfolio also includes selected household utility products such as storage and serving solutions intended for everyday use.



Flair Calculator

The Company offers a range of calculators under the Flair brand, including desktop calculators for office use, pocket calculators for basic calculations and scientific calculators for students. These products cater to academic, professional and commercial usage requirements.

New Launches

Product innovation remained a key focus area during FY2025-26, with the Company strengthening its portfolio through a steady pipeline of new introductions across writing instruments, creative stationery and lifestyle categories. During the year, the Company launched 120+ new products with its continued focus on portfolio expansion and market relevance.

Key launches across segments:

Writing Instruments (Pens)	The Company introduced several premium, design-led additions across its writing-instruments portfolio to cater to evolving consumer preferences and strengthen brand visibility. Key launches: • XO GLOW • Bullet • Sterling • Luma pen • Balance pen • Inky Spinner
Stationery and Creative Products	The creative and stationery segment witnessed strong product innovation with the launch of learning-focused, artistic and character-themed offerings targeted at students and young consumers. Key launches: • Zappy Pencil • Bling Pencil • Blush Pencil • Heartz Pen • P2P Innovative Products • Trigo geometry boxes • Glow-in-dark products • Carbonix Pencil
Steel Bottles and Houseware Products	The Company broadened its lifestyle and hydration portfolio through the introduction of premium reusable bottles and utility-driven houseware products across multiple formats and designs. Key launches: • Starlet Vacuum Bottles • Aera Stainless Steel Bottle • Crest Vacuum Mug • Vogue Vacuum Insulated Tumblers • Estella Bathroom Set • Estella Crystal Bath Series • Empire Insulated Casserole



Opportunities and Challenges



Opportunities

Expansion in High-Growth Segments

The Creative Segment along with Steel Bottles and Houseware Segment are emerging as key growth drivers for the Company, supported by strong consumer demand and continued portfolio expansion. These categories have demonstrated significantly higher growth compared to the core writing instruments business and are expected to contribute an increasing share to the overall revenue mix.

Strategic Partnerships and Brand Strengthening

The Company further strengthened its creative and stationery portfolio through strategic partnerships, including Disney character licensing arrangements and the distribution partnership with Maped France for premium stationery products. These initiatives are supporting portfolio enhancement, improving brand visibility and strengthening positioning in the growing creative learning and premium stationery segments.

Capacity Expansion and Manufacturing Integration

The Company is strengthening its manufacturing capabilities through ongoing expansion at its facilities. The new manufacturing unit at Valsad is expected to augment capacity for writing instruments and stationery products, while the expansion at the Flomax Surar facility is supporting scale-up of the creative products segment. These investments, along with higher automation and increasing in-house manufacturing, are expected to improve operational efficiency, enhance production flexibility and support future growth.

Strengthening Distribution and Brand Presence

With an extensive distribution network of super-stockists, distributors wholesalers and retailers, the Company has established deep market reach across urban and rural markets. This network enables consistent product availability and supports scaling of new product categories. The Company is also strengthening its distribution capabilities through focused sales and marketing initiatives aimed at improving throughput and enhancing market visibility.

Growth in Export Markets

The Company's presence across more than 115 countries provides a strong platform for international growth. Increasing traction in export markets, supported by both own brands and OEM business, presents opportunities

for revenue diversification and scale enhancement. The Company also strengthening its presence across regions such as Latin America and the Middle East to capture emerging growth opportunities.

Shift Towards Branded and Organised Products

The gradual shift towards organised and branded products across writing instruments, creative products and houseware categories is expected to benefit the Company. Backed by an established brand portfolio and focus on quality, design and innovation, the Company is well positioned to address growing consumer preference for reliable and differentiated products.

Operational Efficiency and Digital Transformation

The Company is undertaking initiatives to enhance operational efficiency, including ERP upgrades, process optimisation and sustainability-led measures such as solar power installation and recycling practices. These initiatives are expected to streamline operations, improve productivity and support scalable growth across business segments.



Challenges

Intense Competitive Landscape

The Company operates in highly competitive markets across writing instruments, creative products and houseware categories, with competition from both organised and unorganised players. Pricing pressures and product proliferation, particularly in value-driven segments, may impact margins and market share.

Raw Material Price Volatility

Geopolitical tensions can disrupt supply chains and trigger sharp fluctuations in the prices and availability of key raw materials such as plastics and metals. During such periods, managing input costs while maintaining competitive pricing and protecting profitability may pose a challenge for the Company.

Seasonal Demand Variability

Demand for writing instruments remains partly linked to academic cycles, resulting in seasonal fluctuations in sales. This may impact production planning, inventory management and capacity utilisation during certain periods.

Strategy Forward

The Company's strategy is centred on continuous product innovation, portfolio expansion and stronger market visibility, while maintaining consistent quality standards. It will continue to invest in research and development, design capabilities, manufacturing expertise and market insights to develop better-designed, value-added products aligned with evolving consumer preferences and emerging market trends. These efforts will span writing instruments, creative products, stationery solutions, steel bottles and houseware categories, with a focus on improving customer experience and maintaining product relevance.

Having expanded beyond writing instruments into creative products, stationery solutions, steel bottles and houseware, the Company will focus on scaling these businesses through enhanced product offerings, improved operational efficiencies and wider distribution reach. It will also selectively evaluate opportunities in complementary and adjacent categories that align with its core strengths and offer sustainable growth potential. By leveraging its established brands, manufacturing capabilities and distribution network, the Company aims to strengthen customer engagement, capture emerging market opportunities and create long-term value for stakeholders.

Financial Overview

FY2025-26 marked a year of improved scale and growth for the Company, supported by strong demand across its product portfolio and increasing contribution from its branded business. The number of writing instruments sold stood at 250.28 million units during the year, compared to 191.22 million units in FY2024-25.

The Company maintained a wide market presence through its established distribution network, comprising over 8000+ distributors and an extensive base of wholesalers and retailers across the country.

Revenue from operations stood at ₹ 1,25,010.63 lakhs in FY2025-26, compared to ₹ 1,07,986.03 lakhs in FY2024-25. Growth was led by higher traction in the Company's own brands, along with increasing contribution from creative products and steel bottles and houseware categories.

Gross margin stood at 51.02% during the year, supported by changes in product mix. EBITDA for FY2025-26 stood at ₹ 22,453.40 lakhs as against ₹ 18,474.24 lakhs in FY2024-25,

with EBITDA margin at 17.96 %. Profit after tax stood at ₹ 14,134.64 lakhs in FY2025-26, compared to ₹ 11,908.43 lakhs in the previous year.

Consolidated Financial Performance

Metric	FY 2025-26	FY 2024-25
Number of Pens Sold (in lakhs)	14804.18	14,376.30
Number of Distributors/Dealers	8000+	8,000+
Number of Wholesalers/Retailers	3,30,000+	3,30,000+
Revenue from Operations (₹ in lakhs)	1,25,010.63	1,07,986.03
Revenue from Domestic Operations (₹ in lakhs)	1,04,404.24	89,820.38
Revenue from Export Operations (₹ in lakhs)	20,606.38	18,165.65
Gross Material Margin (₹ in lakhs)	63,777.40	54,770.03
Gross Material Margin (%)	51.02	50.72
EBITDA (₹ in lakhs)	22,453.40	18,474.24
EBITDA Margin (%)	17.96	17.11
PAT (₹ in lakhs)	14,134.64	11,908.43
PAT Margin (%)	11.31	11.03
Return on Capital Employed (%) (PBT & finance costs/Capital Employed)	15.82	15.13
Return on Equity (%) (PAT/Average Total Equity)	12.24	11.74
Trade Receivable Days	78 days	80 days
Inventory Days (based on COGS)	136 days	125 days*
Trade Payable Days	32 days	37 days
Working Capital Cycle (Days)	182 days	168 days*
Debt-Equity Ratio	0.06	0.06
Net Debt/EBITDA	0.24	0.03
Sales & Marketing Expenditure Ratio (%)	1.56	1.92
Earnings per Share (₹)	13.26	11.35

* The figures has been updated due to regrouping



Ratio Analysis (Consolidated Basis)

Metric	FY 2025-26	FY 2024-25	% Change
Inventory Turnover (COGS / Average Inventories)	2.69	2.93	-8.19%
Current Ratio (Current Assets / Current Liabilities)	5.22	5.43	-3.87%
Debtors Turnover (Revenue / Average Trade Receivables)	4.70	4.56	3.07%
Operating Profit Margin (PBIT / Net Sales)	13.72%	12.97%	5.78%
Net Profit Margin (PAT / Net Sales)	11.18%	11.07%	0.99%
Return on Net Worth (PAT / Average Net Worth)	13.09%	12.43%	5.31%
Interest Coverage Ratio (EBIT / Interest Expenses)	33.05	26.61	24.20%
Debt-Equity Ratio (Net Debt / Net Worth)	0.06	0.06	-

Disclosure Of Accounting Treatment

The financial statements of the 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.

Company Outlook

The Company is well-positioned to sustain its growth momentum, supported by strong demand across its product categories and continued strengthening of its brand-led portfolio. Growth is expected to be driven by the increasing contribution from high-growth segments such as stationery and creative products, and steel bottles and houseware, which witnessed strong traction during the year and are expected to scale further. These segments are likely to contribute a larger share to the overall business going forward.

The writing instruments segment is expected to continue providing stability to the portfolio, supported by established brands, consistent demand and a wide distribution network across domestic and international markets. The Company continues to focus on expanding its product portfolio and introducing differentiated offerings aligned with evolving consumer preferences. Ongoing investments in manufacturing capabilities are expected to support capacity expansion and future growth.

The Company's strong distribution network and growing international presence are expected to strengthen market reach and support demand across geographies. Backed by a balanced portfolio, sustained focus on product innovation and continued strengthening of operational capabilities, the Company remains confident of sustaining its growth trajectory and creating long-term value.

Risk Mitigation

Risk	Impact	Mitigation Strategy
 Macroeconomic Risk	Economic slowdowns, inflationary pressures and currency volatility may impact demand across domestic and international markets, affecting revenue growth and profitability.	The Company mitigates macroeconomic risks through market diversification, maintaining a balanced domestic and export portfolio, cost optimisation initiatives and prudent financial management. It also focuses on strengthening liquidity, improving operational efficiency and enhancing resilience through supplier diversification and strategic partnerships.
 Supply Chain Risk	Disruptions in global and domestic supply chains, including raw material price volatility and logistical constraints, may impact production schedules and increase sourcing costs.	The Company adopts multi-sourcing strategies, strengthens supplier relationships and tries to maintain optimal inventory levels to ensure continuity of operations. It also actively monitors input costs and undertakes timely price revisions and cost control measures to manage volatility.

Risk	Impact	Mitigation Strategy
 Seasonal Volatility	Demand fluctuations linked to academic cycles and festive seasons may lead to uneven sales patterns and impact capacity utilisation.	The Company has expanded its product portfolio and customer base over the years, reducing its reliance on any single product category or demand cycle. This diversified business model, coupled with enhanced planning and operational capabilities, strengthens its ability to respond effectively to changing market requirements.
 Product Quality Risk	Failure to maintain quality standards may impact customer satisfaction, lead to product returns and affect brand credibility.	The Company follows stringent quality control processes across manufacturing and sourcing operations. Continuous monitoring, adherence to standards and focus on product innovation ensure consistent product quality and reliability.
 Brand Reputation Risk	Any compromise in product quality or customer experience may adversely affect brand perception and market positioning.	The Company focuses on effective organisational management, consistent product quality and responsive customer service to protect its brand reputation. It also monitors changing customer preferences and addresses adverse customer experiences in a timely manner to maintain trust, competitiveness and brand credibility.
 Competition Risk	Intense competition from organised and unorganised players, along with pricing pressures, may impact market share and margins.	The Company focuses on product differentiation, continuous innovation and competitive pricing strategies. It leverages its distribution network, expands presence across channels and invests in brand building to strengthen market positioning.
 Regulatory and Compliance Risk	Changes in regulatory requirements, taxation policies and environmental norms may impact operations and cost structures.	The Company continuously monitors regulatory developments and maintains robust compliance frameworks. Processes and product standards are aligned with evolving regulatory requirements.
 Innovation Risk	Failure to adapt to changing consumer preferences and technological advancements may affect competitiveness.	The Company continues to invest in product research and development, design innovation and process improvements, with focus on developing value-added and differentiated products aligned with evolving consumer needs.

Human Resources

The Company's workforce remains a key enabler of its growth, supporting operations across business segments, functions and geographies. As of FY 2025-26, the Company had a workforce of 8,456 personnel, comprising permanent employees, contractual staff and workers across manufacturing and corporate functions. During the year, the workforce was strengthened across sales, marketing and manufacturing to support the scale-up of the creative products and steel bottles and houseware segments, expand in-house manufacturing capabilities and strengthen market reach.

The Company undertook structured learning and development programmes to enhance technical expertise, functional skills, operational efficiency and overall employee competencies across organisational levels. Leadership development and managerial effectiveness were also promoted through continuous learning and knowledge enhancement initiatives. In parallel, employee-focused policies and initiatives were undertaken to strengthen

engagement, collaboration, welfare, retention and the overall workplace experience, while promoting equal opportunities and a safe, healthy, inclusive and supportive work environment. These efforts are aimed at improving employee morale and productivity, supporting professional growth and strengthening the Company's ability to attract, develop and retain a capable workforce aligned with its business requirements and long-term organisational growth.

Corporate Social Responsibility

During FY 2025-26, the Company's CSR initiatives focused on education, community development, healthcare support and social welfare, with the objective of creating a sustainable and positive social impact.

The Company continued to support initiatives aimed at strengthening educational infrastructure, improving access to learning facilities, promoting community welfare activities, and extending healthcare support and assistance for the benefit of society at large.



As part of these efforts, the Company continued its CSR project for the construction of the Adarsh Vidyalaya School Building at Sadri, Pali District, Rajasthan, through Shree Khetlaji Mandal. The project aims to enhance educational infrastructure, provide improved learning facilities, and contribute to the long-term development and empowerment of the local community. Through these initiatives, the Company continued its commitment to fostering inclusive and sustainable community development.

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.

Business Responsibility & Sustainability Report FY 2025-26

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L51100MH2016PLC284727
2. Name of the Listed Entity	Flair Writing Industries Limited (hereafter referred to as 'Flair', 'The company', or 'we')
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	+91 224.203.0405
8. Website	www.flairworld.in
9. Financial Year for which reporting is being done	2025-26
10. Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange Limited
11. Paid-up Capital	Rs. 526976890
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: +91 224.203.0228 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 assessment or assurance provider	Not Applicable (NA)
15. Type of assessment or assurance obtained	NA

II. Products/Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Manufacturing and Trading	Manufacturing and trading of consumer products viz. stationary and colour products used for scholastic and art purpose	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Consumer products (Stationary items, including fine arts & hobby products, scholastic products, markers, technical instruments, and adhesives, among others)	32901 32909	91.68%* 8.32%*

*Consolidated Turnover



III. Operations

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

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

19. Markets served by the Entity

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 Entity?

16.48% (Consolidated basis)

c. A brief on 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)	1748	1685	96.39%	63	3.60%
2.	Other than Permanent (E)	80	73	91.25%	7	8.75%
3.	Total employees (D + E)	1828	1758	96.17%	70	3.83%
WORKERS						
4.	Permanent (F)	5480	1727	31.51%	3753	68.49%
5.	Other than Permanent (G)	1128	701	62.15%	427	37.85%
6.	Total workers (F + G)	6608	2428	36.74%	4180	63.26%

b. Differently abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	4	100.00%	0	0.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total differently abled employees (D + E)	4	4	100.00%	0	0.00%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	12	5	41.67%	7	58.33%
5.	Other than Permanent (G)	4	2	50.00%	2	50.00%
6.	Total differently abled workers (F + G)	16	7	43.75%	9	56.25%

21. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10.00%
Key Management Personnel	2	0	0.00%

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

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	41.00%	18.00%	59.00%	22.00%	17.00%	39.00%	6.17%	13.91%	20.08%
Permanent Workers	34.00%	31.00%	65.00%	36.00%	18.00%	54.00%	18.07%	6.77%	24.84%

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 listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed Entity? (Yes/No)
1	Flair Writing Equipments Private Limited	Wholly-owned Subsidiary	100.00%	No
2	Monterosa Stationery Private Limited	Wholly-owned Subsidiary	100.00%	No
3	Flair Cyrosil Industries Private Limited	Subsidiary	90.00%	No
4	Flomaxe Stationery Private Limited	Step-down Subsidiary	51.00%	No

VI. CSR Details

- 24.** (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No): Yes
(ii) Turnover (in Rs.): 10,12,97,04,096
(iii) Net worth (in Rs.): 11,02,68,88,210



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 complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web link for grievance redressal policy)	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	-	0	0	-
Investors (other than shareholders)	Yes, https://www.flairworld.in/investorrelation.aspx	0	0	-	0	0	-
Shareholders	Yes, The Securities and Exchange Board of India Complaints Redress System https://scores.go.in/scores/Welcome.html.investors@flairpens.com	0	0	-	2	0	-
Employees and workers	Yes, https://www.flairworld.in/	0	0	-	0	0	-
Customers*	Yes, https://flairpens.com/contact-us.html	153	0	-	0	0	-
Value Chain Partners	No	0	0	-	0	0	-
Others (please specify)	Yes, https://flairpens.com/contact-us.html	0	0	-	0	0	-

*The Company received customer complaints pertaining to product quality and related matters during the year. The same were duly reviewed and resolved through appropriate actions, ensuring continued focus on product quality, customer satisfaction and service excellence.

26. Overview of the Entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business, 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	Opportunity	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 an	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	Risk	The use of packaging materials, especially those that are nonbiodegradable, 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 forwardthinking 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 and Safety	Risk	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 farreaching 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 workrelated injuries or illnesses. This reduction in workforce productivity can disrupt operations, delay projects, and diminish overall efficiency.



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)
4	Waste Management	Risk	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 longterm 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	Opportunity	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	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether the Entity'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. Web Link of the policies, if available	Weblink: https://www.flairworld.in/investor-relation.aspx • Code of Conduct for Trading by Designated Person • Code of Conduct of Board Members KMP SMP • Corporate Social Responsibility • Dividend Distribution Policy • Familiarization Programme for Independent Director • Nomination Remuneration Policy • Policy for Evaluation of Board of Directors • Policy on Archival of Documents • Policy on Determining Material Subsidiary • Policy on Diversity of Board of Directors • Policy on Materiality of Events or Information • Policy on Materiality of Related Party Transactions • Policy on Preservation of Documents • Policy on Succession Planning for the Board & Senior Management • Risk Management Policies and Procedure • Whistleblower Policy • Terms and Conditions of appointment of Independent Directors • Anti Bribery and Corruption Policy • Criteria of making payments to Non-Executive Directors • Memorandum and Articles of Association • Brief Profile of the Board of Directors • HIV and AIDS policy • Environment Policy • Human Right Policy • Responsible Supply Chain Policy • Health and Safety Policy • Prevention of Sexual Harassment (POSH Policy)								
2. Whether the Entity 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 Entity'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 Entity and mapped to each principle.	ISO 14001 : 2015 ISO 9001 : 2015 ISO 45001-2018								
5. Specific commitments, goals and targets set by the entity 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 entity against the specific commitments, goals and targets along-with reasons, in case the same are not met.	NA								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Refer page no. 12 for Management messages in the initial section of Annual Report.									
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 entity 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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	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								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.	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:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/No)									
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)	NA								

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1:

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

Essential Indicators:

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Familiarisation programme covering the Company's business operations, industry landscape, regulatory developments, corporate governance practices and key policies of the Company. The programme enhanced the Directors' understanding of the Company's operations and governance responsibilities.	100%
Key Managerial Personnel	1	Awareness programmes covering updates on regulatory requirements, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance framework, internal processes, business developments and functional matters relevant to their respective roles. The programmes supported effective compliance management and decision-making.	100%
Employees other than Board of Directors and KMPs	67	Ownership accountability, leadership & excellence, time management, business ethics etc	58.00%
Workers	149	Health and safety, business ethics, ETI code	79.00%

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	Principle 1 - Businesses should conduct and govern themselves with integrity, ethics, transparency and accountability.	BSE Limited	Rs 5,000/-	The Company paid a penalty of Rs. 5,000/- to BSE Limited pursuant to the requirements under Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to disclosure of Related Party Transactions for the half-year ended September 30, 2025.	No
Settlement			Nil		



Compounding fee	Principle 1 - Businesses should conduct and govern themselves with integrity, ethics, transparency and accountability.	Legal Metrology Department, Ghaziabad, Uttar Pradesh	Rs 50,000/-	The Company paid a compounding fee of Rs.50,000/- in accordance with the provisions of the Legal Metrology (Packaged Commodities) Rules, 2011 for matters pertaining to mandatory declarations on pre-packaged commodities.	No
-----------------	--	--	-------------	---	----

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

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

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

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

Yes, 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 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest

	FY 2025-26		FY 2024-25	
	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 conflicts of interest.

NA

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

	FY 2025-26	FY 2024-25
Number of days of accounts payables	30	25

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from		
	c. Purchasing from the top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors		
Share of RPTs in	a. Purchases (Purchases with related parties as % of Total Purchases)	11.83%	5.69%
	b. Sales (Sales to related parties as % of Total Sales)	1.97%	1.70%
	c. Loans & advances given to related parties as % of Total loans & advances	99.78%	99.84%
	d. Investments in related parties as % of Total Investments made	2.94%	10.45%

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
	Nil	

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, The Company has established policies and procedures to identify, disclose, and manage actual or potential conflicts of interest involving Directors and employees. Individuals are required to promptly disclose any conflicts, including those involving their relatives or associates, in accordance with the Company's Code of Conduct. Such disclosures are reviewed through appropriate governance mechanisms to ensure transparency, ethical decision-making, and that the interests of the Company remain paramount.

The Policy can be accessed at the following link: [Code of Conduct of Board Members KMP SMP](#)



Principle 2:

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

Essential Indicators:

- 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 2024-25	Details of improvements in environmental and social impacts
R & D	NA	NA	-
Capex	NA	NA	-

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

Yes, The Company has implemented a Responsible Supply Chain Policy (available at: https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatepolicy_Responsible_Supply_Chain_Policy.pdf), which applies to all recurring suppliers and vendors. Contractual provisions have been incorporated into purchase orders and new agreements to ensure effective implementation of the policy. In addition, the Company exercises due diligence in the evaluation of new partners and in the ongoing monitoring of existing partners to identify and address any potential violations.

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

100%. All the recurring vendors and suppliers are covered under the Responsible Supply Chain Policy.

- 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)	The Company complies with the applicable Extended Producer Responsibility (EPR) requirements and has implemented processes for the collection and management of e-waste generated from its operations. It submits the prescribed periodic returns through the Central Pollution Control Board (CPCB) portal and remains committed to complying with all applicable environmental laws and regulations, including the provisions of the Environment (Protection) Act.
(b) E-waste	
(c) Hazardous waste	
(d) other waste.	

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

Yes, Extended Producer Responsibility (EPR) is applicable to the Company's operations. The Company complies with the applicable EPR requirements under the relevant environmental regulations and has implemented a waste collection and management plan that is aligned with the EPR plan submitted to the respective Pollution Control Boards. The Company continues to monitor its compliance obligations, collaborates with authorized recyclers and collection partners where applicable, and periodically reviews its processes to strengthen the environmentally sound collection, recycling, and disposal of waste in accordance with the prescribed regulatory framework.

Leadership Indicators:

- 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 2025-26	FY 2024-25
Plastic (Reused) (Units)	0	78,521
Plastic (Recycled) (Units)	2,09,933	2,02,936

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 2025-26			FY 2024-25		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste		NA			NA	
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 Indicators:

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	1685	1610	95.55%	1610	95.55%	NA		0	0.00%	0	0.00%
Female	63	50	79.37%	50	79.37%	50	79.37%	NA		0	0.00%
Total	1748	1660	94.97%	1660	94.97%	50	2.86%	0	0.00%	0	0.00%



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)
Other than Permanent employees											
Male	73	73	100%	73	100%	NA		0	0.00%	0	0.00%
Female	7	7	100%	7	100%	0	0.00%	NA		0	0.00%
Total	80	80	100%	80	100%	0	0.00%	0	0.00%	0	0.00%

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	1727	1698	98.32%	1727	100%	NA		0	0.00%	0	0.00%
Female	3753	3508	93.47%	3753	100%	3753	100%	NA		0	0.00%
Total	5480	5206	95.00%	5408	100%	3753	68.48%	0	0.00%	0	0.00%
Other than Permanent Workers											
Male	701	579	82.60%	579	82.60%	NA		0	0.00%	0	0.00%
Female	427	356	83.37%	356	83.37%	0	0.00%	NA		0	0.00%
Total	1128	935	82.89%	935	82.89%	0	0.00%	0	0.00%	0	0.00%

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

	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.047%	0.13%

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

Benefits	FY 2025-26			FY 2024-25		
	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	91%	100%	Y	90%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	6%	48%	Y	8.07%	95.13%	Y
Others- please specify	0%	0	NA	0	0	NA

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the 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 entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

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	0	0	0	0.00%
Female	100.00%	50.00%	0	0.00%
Total	100.00%	50.00%	0	0.00%

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 grievance committee at units to address and redress the concerns
Other than permanent workers	
Permanent employees	Yes, we have a workplace discipline policy as per which the grievances are addressed and redress
Other than permanent employees	

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

Category	FY 2025-26			FY 2024-25		
	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	0	0	Nil	0	0	0
- Male	0	0		0	0	0
- Female	0	0		0	0	0
Total Permanent Workers	0	0		0	0	0
- Male	0	0		0	0	0
- Female	0	0		0	0	0

**8. Details of training given to employees and workers:**

Category	FY 2025-26					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	1685	87	5.16%	700	41.54%	1483	168	11.33%	75	5.06%
Female	63	28	44.44%	37	58.73%	55	15	27.27%	10	18.18%
Total	1748	115	6.58%	737	42.16%	1538	183	11.90%	85	5.53%
Workers										
Male	1727	1175	68.04%	85	4.92%	1108	656	59.21%	195	17.60%
Female	3753	3578	94.34%	102	2.72%	2795	1020	36.49%	675	24.15%
Total	5480	4753	86.73%	187	3.41%	3903	1676	42.94%	870	22.29%

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1685	87	5.16%	1483	887	59.81%
Female	63	28	44.44%	55	48	87.27%
Total	1748	115	6.58%	1538	935	60.79%
Workers						
Male	1727	1175	68.04%	1108	656	59.21%
Female	3753	3578	95.34%	2795	1020	36.49%
Total	5480	4753	86.73%	3903	1676	42.94%

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?**

Yes, 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)

Yes, 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 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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 2025-26			FY 2024-25		
	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	0
Working Conditions	0

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 Assistant General Managers (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).

(A) Employees – No

(B) Workers – Yes, the company has workmen Compensation policy.

2. Provide the measures undertaken by the entity to ensure payment of statutory dues have been deducted and deposited 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 high consequence 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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
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	Nil
Working Conditions	Nil

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.

NA

Principle 4

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

Essential Indicators:

1. Describe the processes for identifying key stakeholder groups of the entity.

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 entity 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, investors and analyst meet, earning calls	Quarterly, annually, and as and when required	Transparent and effective communication, addressing investor queries and concerns
Community	Yes	In-person meetings with people and through calls	As and when required	Addressing community problems
Suppliers	No	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
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 matters

**Leadership Indicators:**

- 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 to regularly interact with key stakeholder groups, including investors, employees, customers, suppliers, communities, and regulatory authorities. While direct consultation between stakeholders and the Board is not undertaken, stakeholder feedback is reviewed by the management and escalated, where necessary, to the relevant Board-level committees. This ensures that key economic, environmental, and social considerations are incorporated into the Company's decision-making and governance processes.

- 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 engages with its key stakeholders, including employees, customers, suppliers, communities, and regulatory authorities, to identify and manage material environmental and social topics. Feedback received through regular interactions, grievance mechanisms, and stakeholder engagements is considered while strengthening policies and initiatives related to employee well-being, health and safety, responsible sourcing, waste management, and environmental compliance. These inputs support the Company's continuous improvement and sustainability efforts.

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

The Company actively engages with local communities to understand their concerns and expectations through regular interactions and community outreach initiatives. Based on the feedback received, the Company undertakes CSR initiatives focused on education, healthcare, sanitation, and community development, ensuring that its interventions address local needs and contribute to the well-being of vulnerable and marginalized groups.

Principle 5**Business should respect and promote human rights****Essential Indicators:**

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	1748	38	2.17%	1538	82	5.33%
Other than Permanent	80	0	0.00%	50	0	0.00%
Total Employees	1828	38	2.08%	1588	82	5.16%
Workers						
Permanent	5480	106	1.93%	3903	275	7.05%
Other than Permanent	1128	0	0.00%	1941	0	0.00%
Total Workers	6608	106	1.60%	5844	275	4.71%

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

Category	FY 2025-26					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	1685	0	0.00%	1685	100%	1483	0	0.00%	1483	100.00%
Female	63	0	0.00%	63	100%	55	0	0.00%	55	100.00%
Other than Permanent										
Male	73	0	0.00%	73	100%	43	0	0.00%	43	100.00%
Female	7	0	0.00%	7	100%	7	0	0.00%	7	100.00%
Workers										
Permanent										
Male	1727	833	48.23%	894	51.77%	1108	450	40.61%	658	59.39%
Female	3753	2860	76.20%	893	23.08%	2795	2655	94.99%	140	5.01%
Other than Permanent										
Male	701	389	55.46%	312	44.54%	1020	528	51.76%	492	48.24%
Female	427	352	82.47%	75	17.53%	921	726	78.83%	195	21.17%

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)	9	47,83,334	1	1,00,000
Key Managerial Personnel	2	68,15,984	0	0
Employees other than BoD and KMP	1705	2,84,616	67	3,84,000
Workers	1741	2,74,872	4180	1,54,752

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	64.31%	64.84%

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:

	FY 2025-26			FY 2024-25		
	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	Nil	NA	NA
Discrimination at workplace	Nil	NA	NA	Nil	NA	NA
Child Labour	Nil	NA	NA	Nil	NA	NA
Forced Labour/Involuntary Labour	Nil	NA	NA	Nil	NA	NA
Wages	Nil	NA	NA	Nil	NA	NA
Other Human rights related issues	Nil	NA	NA	Nil	NA	NA

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

	FY 2025-26	FY 2024-25
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Female employees / workers	0	0
iii) Complaints on POSH as a % of female employees / workers	0.00%	0.00%
iv) 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 entity's plants and offices that were assessed (by the entity 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	
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	NA
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 Indicators:

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

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	1,147.77	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	1,147.77	0
From non-renewable sources		
Total electricity consumption (D)	1,04,998.98	95,565.40
Total fuel consumption (E)	1,902.62	3,347.06
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	1,06,901.60	98,912.46
Total energy consumed (A+B+C+D+E+F)	1,08,049.37	98,912.46

Note: The Company remains committed to enhancing the quality and accuracy of its sustainability data. As part of this ongoing effort, improvements have been made to the underlying methodology, data collection processes, and backend systems. Accordingly, stakeholders may notice minor variations in certain reported indicators compared to the previous year, reflecting the adoption of a more robust and accurate reporting framework.



Parameter	FY 2025-26	FY 2024-25
Energy intensity per rupee of turnover	10.67	10.42
(Total energy consumed / Revenue from operations) (GJ/Million Rs.)		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	216.96	215.26
(Total energy consumed / Revenue from operations adjusted for PPP)* (GJ/Million USD)		
Energy intensity in terms of physical output	-	-
Energy 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	

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 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	38449.00	35205.40
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	38449.00	35205.40
Total volume of water consumption (in kilolitres)	33231.00	30227.40
Water intensity per rupee of turnover	3.28	3.18
(Total water consumption / Revenue from operations) (KL/Million Rs.)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	66.73	65.78
(KL/Million USD)		
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 2025-26	FY 2024-25
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	5218	4978
- No treatment	0	0
- With treatment – please specify level of treatment	5218	4978
(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 kilolitres)	5218	4978
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 entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, The Company has implemented Zero Liquid Discharge (ZLD) practices at two of its manufacturing facilities. Sewage Treatment Plants (STPs) with capacities of 50 KLD at Daman and 100 KLD at Valsad treat domestic wastewater and the treated water is reused for toilet flushing and gardening. This approach promotes efficient water conservation and supports the Company's commitment to sustainable water management.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
NO _x	mg/m ³	8.748	28.17
SO _x	mg/m ³	11.12	24.25
Particulate matter (PM)	mg/m ³	12.6	37.205
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	PPM	1.5	1.25
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

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

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MT of CO ₂ Equivalent	130.91	209.23
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MT of CO ₂ Equivalent	20708.13	19298.89
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MTCO ₂ e/in million	2.06	2.05
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 ₂ e/in million Dollar USD	41.84	42.46
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	

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

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company has undertaken several initiatives to reduce its greenhouse gas (GHG) emissions through enhanced energy efficiency and the adoption of renewable energy. It has commissioned a 1.85 MW rooftop solar power system across its Daman and Valsad manufacturing facilities, reducing dependence on conventional energy sources. Additionally, the Company has installed energy-efficient machinery and optimized the use of natural daylight in production areas to lower electricity consumption and reduce Scope 2 emissions. These initiatives reflect the Company's commitment to improving energy efficiency and supporting its long-term decarbonization objectives.



9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	87.97	133.72
E-waste (B)	0.035	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	2.4	0.28
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	90.405	134.00
Waste intensity per rupee of turnover	0.0089	0.01
(Total waste generated / Revenue from operations) (MT/Million Rs.)		
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	0.18	0.29
(MT/Million USD)		
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	0	NA
(ii) Re-used	0	NA
(iii) Other recovery operations	0	NA
Total	0	NA
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	NA
(ii) Landfilling	0	NA
(iii) Other disposal operations	90.405	NA
Total	90.405	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 establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company follows a structured waste management approach to ensure the responsible segregation, collection, recycling, and disposal of waste in compliance with applicable regulations. Plastic waste, including packaging materials, is managed through authorized recyclers, while hazardous waste such as used oil is disposed of through CPCB/SPCB-authorized vendors. Paper waste and corrugated cartons are recycled through local authorized agencies.

To minimize the use of hazardous and toxic chemicals, the Company promotes the adoption of safer alternatives wherever feasible, optimizes manufacturing processes, and implements stringent handling, storage, and disposal practices. These initiatives help reduce environmental impact while ensuring regulatory compliance and operational safety.

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
NA				

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 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	28697.00	23205
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters)	28697.00	23205.40
Total volume of water consumption (in kiloliters)	23479.00	18227.40
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
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	5218	4978
- No treatment	0	0
- With treatment – please specify level of treatment	5218	4978
(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



Parameter	FY 2025-26	FY 2024-25
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	5218	4978
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 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)			
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			
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.	The Company is in the process of developing an appropriate mechanism to measure and report its Scope 3 greenhouse gas emissions. Disclosure of this indicator will be considered in future reporting cycles upon completion of the required assessment framework and data collection processes.		

3. With respect to the ecologically sensitive areas reported in Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

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:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	Kindly refer to the Environmental section of the Annual Report for a brief overview of the Company's key projects and initiatives undertaken to promote sustainability across its operations.		

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has established a Business Continuity and Disaster Management Plan to enhance operational resilience and ensure employee safety during emergencies. Regular mock drills, emergency preparedness training, and evacuation exercises are conducted to strengthen response capabilities. Fire safety equipment, including extinguishers, hose reels, sand buckets, and alarm systems, is regularly inspected and maintained. The Company also provides first-aid training and periodically reviews its emergency response procedures to ensure preparedness and minimize operational disruptions.

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?

Nil

8. How Many green credits have been generated or produced

a	By the listed entity	Nil
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 Indicators:

1. a. Number of affiliations with trade and industry chambers/associations.
 - 4
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Writing Instruments Manufacturers Organisation	National
2	The Plastic Export Promotion Council (PLEXCONCIL)	National
3	The All- India Exporters Chamber	National
4	Pen & Stationary Association of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
	NA	

Leadership Indicators:

1. Details of public policy positions advocated by the entity:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
			NA		

Principle 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			NA		



2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the entity, in the following format:

S.no	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company implements its CSR initiatives through experienced implementation partners and local NGOs to ensure that projects effectively address community needs. Community members can raise grievances or provide feedback through these partners, enabling timely identification and resolution of concerns. The Company reviews the feedback received and takes appropriate corrective actions wherever required, ensuring transparency, accountability, and continuous improvement in its CSR programmes while fostering long-term community relationships.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	Data not available/ Not identifiable	
Directly from within India	76.67%	73.65%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-2026	FY 2024-2025
Rural		
% of Job creation in Rural areas	NA	NA
Semi-urban		
% of Job creation in Semi-urban areas	12.65%	5.10%
Urban		
% of Job creation in Urban areas	71.64%	95%
Metropolitan		
% of Job creation in Metropolitan areas	15.71%	NA (No workers in the head office)
(Place to be categorized as per RBI Classification System - rural / semi-urban / urban/metropolitan)		

The Company has revised its methodology for calculating job creation, aligning it with the RBI classification and the 2011 Census data in the current year, to ensure compliance with SEBI's requirements.

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 entity 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? (Yes/No)
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 entity (in the current financial year), based on traditional knowledge:

S. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Nil				

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 groups
1	Support towards education and community development initiatives through various educational and social welfare projects	Students and members of local communities benefitted through educational support initiatives	Majority of beneficiaries belong to vulnerable and marginalized sections of society
2	Support towards healthcare assistance and medical support initiatives	Individuals benefitted through healthcare-related assistance and support initiatives	
3	Support towards accessibility and mobility assistance for persons with disabilities	Persons benefitted through mobility support initiatives	
4	Support towards community welfare and other social development initiatives	Individuals across communities benefitted through various welfare initiatives	



Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators:

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has established a customer grievance redressal mechanism to address product and service-related concerns promptly and effectively. Customers can raise queries or complaints through the dedicated Customer Support Desk via phone or email at consumercare@flairpens.com. All complaints are reviewed by the relevant teams, followed by investigation, root cause analysis, and implementation of corrective and preventive actions, wherever required. The Company also engages directly with customers, when necessary, to ensure timely resolution and continuous improvement in product quality and customer satisfaction.

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	100.00%
Recycling and/or safe disposal	Nil

3. Number of consumer complaints in respect of the following:

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
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 entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

No, The Company does not currently have a formal cyber security and data privacy policy. However, it has implemented appropriate internal controls and information security practices to safeguard business and stakeholder data, ensuring its confidentiality, integrity, and availability. The Company periodically reviews and strengthens these measures to address evolving cyber security risks and is working towards developing a formal framework to further enhance its data protection and digital governance practices.

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.**

NA

7. **Provide the following information relating to data breaches:**

	Provide the following information relating to data breaches:
a. Number of instances of data breaches	Nil
b. Percentage of data breaches involving personally identifiable information of customers	NA
c. Impact, if any, of the data breaches	NA

Leadership Indicators:

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).**

Information on the Company's products and services is available through its official website and major e-commerce platforms. These channels provide comprehensive details on the Company's portfolio, including product features, specifications, and brand offerings, enabling customers to make informed purchasing decisions.

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 promotes the safe and responsible use of its products by providing clear and accurate information on product packaging, including usage instructions, handling, storage, and other relevant details. Product information is also made available through the Company's website and promotional materials, enabling consumers to make informed decisions and ensuring a safe and satisfactory user experience.

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 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 fundamental to creating and enhancing long-term sustainable value for all stakeholders through ethical business practices, transparency, accountability and responsible decision-making. At Flair, we are committed to conducting our affairs in a fair, transparent and responsible manner, while maintaining the highest standards of integrity and corporate citizenship.

We consider our stakeholders as partners in our growth and success. Our governance framework seeks to balance the interests of all stakeholders, including shareholders, employees, customers, suppliers, investors, communities and regulators. We believe that a strong governance culture, founded on trust, transparency and accountability, is essential for sustainable value creation and long-term business success.

We believe that Corporate Governance is not merely a matter of regulatory compliance but a way of conducting business that promotes ethical behaviour, responsible leadership and sustainable growth. Accordingly, we continuously endeavour to strengthen our governance practices and adopt measures that enhance stakeholder confidence and long-term value creation.

The Company is in compliance with the corporate governance requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing 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 facilitate effective delegation of authority across the organization.
- c) Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures.
- d) Ensuring timely, accurate and comprehensive disclosure of corporate, financial and operational information to 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

Flair 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 conduct our business in a responsible, ethical and transparent manner. We are committed to upholding the highest standards of integrity, accountability and corporate governance in all our dealings with stakeholders. To support this commitment, the Company has adopted various policies, codes and procedures that guide its

business conduct and decision-making processes. Details of these policies and codes are available on the Company's website at <https://www.flairworld.in> under the Investor Relations section.

2. Board of Directors

As at March 31, 2026, 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 and Non Executive Independent Directors, which is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and Section 152 of the Act.

Size and composition of the Board of Directors as at March 31, 2026 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	1 (ID)	2	1	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.

ID- Independent Director

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

None of the Directors is a Director in more than Ten (10) public companies (as specified under Section 165 of the Act) and serves as a Director in more than seven (7) listed entities or acts as an Independent Director in more than seven (7) listed entities or three (3) listed entities in case he/she serves as a Whole-time Director or Managing Director in any listed entity (as specified under Regulation 17A of the SEBI Listing regulations).

None of the Directors on the Board is a Member of more than ten Committees and Chairperson of more than five Committees (as specified under Regulation 26 of the SEBI Listing Regulations), across all Indian public limited companies in which he/she is a Director.

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.

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, 2026.

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, 2026 except for payment of sitting fees, and reimbursement of expenses, if any, incurred in the discharge of their duties.

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 was evaluated, inter alia, to assess the effectiveness of the Board, the quality of its decision-making process and the flow of information between the management and the Board.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole. Board Evaluation for the FY 2025-26 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 May 22, 2025 and February 24, 2026. 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 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 2025-26 on May 22, 2025, July 25, 2025, July 28, 2025, November 06, 2025, December 19, 2025, January 29, 2026, and March 11, 2026. 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 2025-26:

Name	Category	No. of Board Meetings held and attended during the F.Y. 2025-26			Whether attended last AGM held on August 19, 2025
		Held	Entitled	Attended	
Mr. Khubilal Jugraj Rathod	Chairman, Promoter Executive	7	7	7	Yes
Mr. Vimalchand Jugraj Rathod	Managing Director – Promoter Executive	7	7	7	Yes
Mr. Rajesh Khubilal Rathod	Whole time Director - Promoter Executive	7	7	6	No
Mr. Mohit Khubilal Rathod	Whole time Director - Promoter Executive	7	7	5	Yes
Mr. Sumit Rathod	Whole time Director - Promoter Executive	7	7	4	Yes
Mr. Punit Saxena	Independent Director	7	7	6	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	7	6	Yes
Mrs. Sheetal Bhanot Shetty	Independent Woman Director	7	7	2	Yes

CHANGES IN BOARD OF DIRECTORS DURING THE FINANCIAL YEAR UNDER REVIEW

Appointments/ Resignations

During the financial year under review, there were no appointments and resignations.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vimalchand Jugraj Rathod (DIN: 00123007), Managing Director, and Mr. Mohit Khubilal Rathod (DIN: 00122951), Whole-time Director, retire by rotation at the ensuing Annual General Meeting and, being eligible,

have offered themselves for re-appointment. The Board of Directors has recommended their re-appointment for approval of the Members at the ensuing Annual General Meeting.

DETAILS OF COMMITTEES

I. Audit Committee and its Meetings

The Audit Committee of the Company is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 ("the Act") and Regulation 18 of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the financial year 2025-26, the Audit Committee met five (5) times. The dates of the meetings are set out below.

The Audit Committee was originally constituted by the Board pursuant to its resolution dated August 09, 2018 and was subsequently re-constituted pursuant to the

Board resolutions dated June 09, 2023 and April 23, 2024 (passed through Circular Resolution). The terms of reference of the Audit Committee were last revised by the Board at its meeting held on June 09, 2023.

The composition of the Audit Committee and the attendance of the Members at the meetings held during the financial year are set out below:

Name and category	22 nd May, 2025	28 th July, 2025	6 th November, 2025	29 th January, 2026	11 th March, 2026	Attended	Percentage (%)
Mr Punit Saxena (C) (ID)	✓	✓	✓	✓	✓	5/5	100%
Mr. Rajneesh Bhandari (ID)	✓	✓	✓	✓	✓	5/5	100%
Mr Vimalchand Jugraj Rathod (ED)	✓	✓	✓	✓	✓	5/5	100%

(C) Chairperson, (ID) Independent Director, (ED) Executive Director

The requisite quorum was present at all the aforesaid meetings. The maximum interval between any two Audit Committee meetings did not exceed 120 days, in compliance with the provisions of the Act and the SEBI Listing Regulations.

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;
- (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
- (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.

II. Nomination and Remuneration Committee (NRC Committee)

The Nomination and Remuneration Committee ("NRC") of the Company is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 ("the Act") and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the financial year 2025-26, the NRC met three (3) times. The dates of the meetings are set out below.

The NRC was originally constituted by the Board pursuant to its resolution dated August 09, 2018 and was subsequently re-constituted by the Board pursuant to its resolution dated June 09, 2023. The terms of reference of the NRC were last revised by the Board at its meeting held on June 09, 2023. The composition of the Nomination and Remuneration Committee and the attendance of the Members at the meetings held during the financial year are set out below:

Name and category	22 nd May, 2025	6 th November, 2025	29 th January, 2026	Attended	Percentage (%)
Mr. Rajneesh Bhandari (C) (ID)	✓	✓	✓	3/3	100%
Mr. Manoj Vinod Lalwani (ID)	✓	✓	-	2/3	67%
Mrs. Sheetal Bhanot Shetty (ID)	✓	-	✓	2/3	67%

(C) Chairperson, (ID) Independent Director

The necessary quorum was present for the aforesaid meetings.

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 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.
- (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
- (g) 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.

III. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 ("the Act") and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the financial year 2025-26, the Stakeholders' Relationship Committee met once (1) on November 06, 2025.

The Stakeholders' Relationship Committee was constituted and its terms of reference were approved by the Board pursuant to its resolution dated June 09, 2023.

The composition of the Stakeholders Relationship Committee and the attendance of the Members at the meeting held during the financial year are set out below:

Name and Category	6 th November, 2025	Attended	Percentage (%)
Mr. Punit Saxena (C) (ID)	✓	1/1	100%
Mr. Vimalchand Jugraj Rathod (ED)	✓	1/1	100%
Mr. Rajesh Khubilal Rathod (ED)	✓	1/1	100%

(C) Chairperson, (ID) Independent Director, (ED) Executive Director

The required quorum was present for the aforesaid meeting.

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
- (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

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;



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,	Mr. Vishal Kishor Chanda,
designation	Company Secretary & Compliance
and address	Officer
of Company	Flair House, Plot No. A/64, Cross
Secretary &	Road – A, Marol Ind. Area, MIDC,
Compliance	Andheri (East), Mumbai – 400093,
Officer:	Maharashtra, India.

Details of Investor Communication/ Queries received and redressed during FY 2025-26 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance
0	0	0	0

IV. Risk Management Committee

The Risk Management Committee of the Company is constituted in accordance with the provisions of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the financial year 2025-26, the Risk Management Committee met two (2) times. The dates of the meetings are set out below.

The Risk Management Committee was constituted by the Board pursuant to its resolution dated June 09, 2023. The terms of reference of the Risk Management Committee were last revised by the Board at its meeting held on June 09, 2023.

The composition of the Risk Management Committee and the attendance of the Members at the meetings held during the financial year are set out below:

Name and Category	22 nd May, 2025	6 th November, 2025	Attended	Percentage (%)
Mr Vimalchand Jugraj Rathod (C) (ED)	✓	✓	2/2	100%
Mr. Punit Saxena (ID)	✓	✓	2/2	100%
Mr. Manoj Vinod Lalwani (ID)	✓	✓	2/2	100%

(C) Chairperson, (ID) Independent Director, (ED) Executive Director

The necessary quorum was present for the aforesaid meetings.

The maximum interval between any two RMC meetings did not exceed 210 days.

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.

V. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee ("CSR Committee") of the Company is constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 ("the Act") and the rules made thereunder.

During the financial year 2025-26, the Corporate Social Responsibility Committee met two (2) times. The dates of the meetings are set out below.

The CSR Committee was constituted by the Board pursuant to its 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 the Board pursuant to its resolution dated June 09, 2023.

The composition of the CSR Committee and the attendance of the Members at the meetings held during the financial year are set out below:

Name and Category	22 nd May, 2025	27 th January, 2026	Attended	Percentage (%)
Mr Khubilal Jugraj Rathod (C) (ED)	✓	✓	2/2	100%
Mr Vimalchand Jugraj Rathod (ED)	✓	✓	2/2	100%
Mr. Rajesh Khubilal Rathod (ED)	✓	✓	2/2	100%
Mr. Rajneesh Bhandari (ID)	✓	✓	1/2	50%

(C) Chairperson, (ID) Independent Director, (ED) Executive Director

The necessary quorum was present for the aforesaid meetings.

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 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

- (h) 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	Chairman & Whole-Time Director
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	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. Priyanka Taksali	Head – Accounts

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 2025-26 is as follows-

(Rs. 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	84	-	-	-	-	-	84
2	Mr. Vimalchand Jugraj Rathod	84	-	-	-	-	-	84
3	Mr. Rajesh Khubilal Rathod	84	-	-	-	-	-	84
4	Mr. Mohit Khubilal Rathod	84	-	-	-	-	-	84
5	Mr. Sumit Rathod	84	-	-	-	-	-	84
6	Mr. Deven Bipin Shah	-	-	-	-	-	1.80	1.80
7	Mr. Punit Saxena	-	-	-	-	-	3.40	3.40
8	Mr. Rajneesh Bhandari	-	-	-	-	-	3.30	3.30
9	Mr. Manoj Vinod Lalwani	-	-	-	-	-	2	2
10	Mrs. Sheetal Bhanot Shetty	-	-	-	-	-	1	1

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.

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
9 th	2024-25	3.00 pm	August 19, 2025	Registered Office	No such Resolution
8 th	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
7 th	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

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: Thursday, August 27, 2026
Time: 3:00 pm (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, 2025 to March 31, 2026.

Listing Details

As on March 31, 2026, 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, 5 th floor, Plot no. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400 051, Maharashtra, India.	INE00Y201027	FLAIR

Distribution of Shareholding as on March 31, 2026:

Distribution Of Shareholding Based On Shares Held						
SL No.	SHARES RANGE			No. of Shareholders	% of total Shareholders	% of Issued Capital
1	1	to	500	48378	93.3902	2.6786
2	501	to	1000	2046	3.9497	1.3456
3	1001	to	2000	749	1.4459	1.0098
4	2001	to	3000	222	0.4286	0.5186
5	3001	to	4000	108	0.2085	0.3573
6	4001	to	5000	65	0.1255	0.285
7	5001	to	10000	116	0.2239	0.7882
8	10001	to	above	118	0.2278	93.0169
Total				51802	100.0000	100.0000

Distribution Of Shareholding Based On Nominal Value (INR)							
SL No.	Shareholding Of Nominal Value (Inr)			No. of Shareholders	% OF TOTAL	SHARE AMOUNT (INR)	% OF TOTAL SHARE AMOUNT
1	1	to	2500	48378	93.3902	14115415	2.6786
2	2501	to	5000	2046	3.9497	7091225	1.3456
3	5001	to	10000	749	1.4459	5321220	1.0098
4	10001	to	15000	222	0.4286	2733040	0.5186
5	15001	to	20000	108	0.2085	1883110	0.3573
6	20001	to	25000	65	0.1255	1501850	0.285
7	25001	to	50000	116	0.2239	4153525	0.7882
8	50001	to	Above 50001	118	0.2278	490177505	93.0169
Total					100.0000	526976890.00	100.0000

Flair Writing Industries Limited							
Category Wise Holdings Summary as on March 31, 2026							
Category	Demat Securities	Demat Holders	Physical Securities	Physical Holders	Total Securities	Total Holders	%-Issued Capital
Promoters	82829592	10	0	0	82829592	10	78.5894
Mutual Funds	3687842	3	0	0	3687842	3	3.4991
Other Bodies	1639853	264	0	0	1639853	264	1.56
Corporate							
Hindu Undivided Family	284415	1229	0	0	284415	1229	0.2699
Non-Resident Indians	243790	502	0	0	243790	502	0.2313
Foreign Portfolio Investors	313282	15	0	0	313282	15	0.2972
Category I							
Foreign Portfolio Investors	2261	1	0	0	2261	1	0.0021
Category II							
Public	9067113	49269	0	0	9067113	9067113	8.61
Trusts	4988	2	0	0	4988	2	0.00
Body Corporate - Ltd Liability Partnership	100696	49	0	0	100696	49	0.10
Alternate Invst Funds	7211697	7	0	0	7211697	7	6.8425
Clearing Members	9849	4	0	0	9849	4	0.01
TOTAL :	105395378	51355	0	0	105395378	51355	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- investor.helpdesk@linkintime.co.in



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, 2026 through the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) are as follows:

Particulars	March 31, 2026	
	No. of shares	% of Total Issued Capital
NSDL	100367185	95.23
CDSL	5028193	4.77
Total	10,53,95,378	100

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	Dehradun, Uttarakhand
8	Surat Unit	Surat, Gujarat
9	Valsad Building II	Valsad, Gujarat
10	Valsad Building III	
11	Valsad Building IV	

OTHER DISCLOSURES / COMPLIANCES

Material Wholly-Owned Subsidiary Company – Monitoring Framework

The Board of Directors, at its meeting held on May 22, 2025, identified Flair Writing Equipments Private Limited as a Material Subsidiary of the Company in terms of Regulation 16(1)(c) of the Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Company has adopted a Policy for Determining Material Subsidiaries in accordance with the provisions

The particulars of the Material Subsidiary are as follows:

Sr. No	Material Subsidiary	Date and Place of Incorporation	Name of the Statutory Auditors	Particulars of Appointment of Statutory Auditor
1	Flair Writing Equipments Private Limited	November 04, 2019 Daman, India	M/s. Jeswani & Rathore, Chartered Accountants	Appointed by the Members at their 6 th Annual General Meeting held on August 18, 2025, to hold office for a term of five consecutive years from April 1, 2025 to March 31, 2030.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Members of Flair Writing Industries Limited at the 9th Annual General Meeting held on August 19, 2025 and the Members of Flair Writing Equipments Private Limited at the 6th Annual General Meeting held on August 18, 2025, approved the appointment of M/s. KPUB & Co., Company Secretaries (ICSI UIN No. P2015MH069000), as the Secretarial Auditors of their respective companies for a term of five consecutive years, commencing from FY 2025-26 up to FY 2029-30.

DETAILS OF DIVIDEND DECLARATION AND SHAREHOLDER'S OUTREACH INITIATIVES

Post listing of the equity shares of the Company on the Stock Exchanges, the Company has declared and paid a Final Dividend of Rs.1.00 per equity share of face value Rs.5/- each for FY 2024-25 and an Interim Dividend of Rs.0.50 per equity share of face value Rs.5/- each for FY 2025-26. The shareholders are requested to claim their dividend entitlement, if remaining unclaimed, by submitting the prescribed request along with the requisite KYC documents to the Company's Registrar and Share Transfer Agent ("RTA") at investor.helpdesk@in.mpms.mufig.com.

As part of its continued commitment towards shareholder service and investor protection, the Company, through its Registrar and Share Transfer Agent ("RTA"), periodically reaches out to shareholders whose dividend(s) remain unclaimed and advises them to complete the applicable KYC formalities and claim their dividend entitlement in a timely manner. These initiatives are aimed at facilitating prompt receipt of dividend by shareholders and minimising the transfer of unclaimed dividend(s) and the corresponding shares, wherever applicable, to the Investor Education and Protection Fund ("IEPF") in accordance with the provisions of the Companies Act, 2013.

Green Initiative

As a socially responsible corporate entity, the Company embraces and endorses the 'Green Initiative' initiated by

of the SEBI Listing Regulations. The Policy is available on the website of the Company at https://www.flairworld.in/DataFiles/CorporateGovernance/CorporatePolicies/Corporatpolicy_Policy_on_Determining_Material_Subsiary.pdf

the Ministry of Corporate Affairs, Government of India, which allows for electronic delivery of documents, such as the Annual Report, and other relevant documents, to Shareholders via email as registered with Depository Participants (DPs) and RTA. Shareholders who haven't registered their email addresses are kindly requested to do so. Those who hold shares in demat form may register their email addresses with their respective DPs, while those with physical shares may register their email addresses with the RTA by sending a signed letter from the first/sole holder, specifying their Folio No.

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/CorporateGovernance/CorporatePolicies/Corporatpolicy_Policy_on_Materiality_of_Related_Party_Transactions.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

The equity shares of the Company have been listed and are being traded on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") with effect from December 01, 2023. The Company has generally complied with the applicable provisions of the Securities



and Exchange Board of India Act, 1992, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and the requirements prescribed by the Stock Exchanges from time to time.

During the year under review, the disclosure of Related Party Transactions under Regulation 23(9) of the SEBI Listing Regulations was filed within the prescribed timeline with NSE. However, there was a delay in filing the said disclosure with BSE, pursuant to which BSE Limited levied a fine of Rs. 5,000. The Company has duly remitted the fine and has taken appropriate measures to further strengthen its compliance processes to ensure timely regulatory filings.

Payment of Listing Fees

Annual Listing Fees for the Financial Year 2025-26 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 2025-26.

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, 2026, 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.

Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

There was no instance during the financial year 2025-26, 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 M/s. Jeswani & Rathore, Chartered Accountants, of the Company, during the year ended March 31, 2026, is Rs. 60 lakh.

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:

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 2025-26, 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, 2026.

For **Flair Writing Industries Limited**

Sd/

Vimalchand Jugraj Rathod

Managing Director

DIN: 00123007

Date: August 03, 2026

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 2025 –26 - 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, 2026 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, 2026 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**

Sd/-
Khubilal Jugraj Rathod
(Chairman)

Sd/-
Vimalchand Jugraj Rathod
(Managing Director)

Sd/-
Alpesh Ambalal Porwal
(Chief Financial Officer)

Place: Mumbai
Date: August 03, 2026

**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 disclosures provided by the Directors (as enlisted in Table A) to 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, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA and (iii) disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority as on March 31, 2026:

Table A

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

General Disclaimer: Our Analysis for this certificate does not cover the verification of criteria pertaining to appointments as independent director under Section 149 and criteria pertaining to appointment as Managing Director under Section 196 and Schedule V of the Companies Act, 2013. 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
ICSI UIN No: P2015MH069000
Peer Review Certificate No. 1864/2022

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
ICSI UDIN: A039702H000999584

Date: August 03, 2026
Place: Mumbai

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

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, 2026 as prescribed under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para 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 financial year under review.

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 we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations, as applicable during the year ended March 31, 2026 subject to the following:

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 30th September, 2025, was filed next day after the date of publication of its standalone and consolidated financial results for the year ended 30th September 2025 on the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company

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
ICSI UIN No: P2015MH069000
Peer Review Certificate No. 1864/2022

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
ICSI UDIN: A039702H000999573

Date: August 03, 2026
Place: Mumbai

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 Balance Sheet as at March 31, 2026, 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 Standalone Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, ("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, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its profit, and their other comprehensive loss, its 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("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 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 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, 2026, 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 ₹ 163.77 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 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 Company's Annual Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.
- Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether 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 loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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, the 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 is 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 judgement 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 controls 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 Section 143(11) 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 Balance sheet, the Statement of Profit & Loss including Other Comprehensive Income, the Cash Flow Statement and the 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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a Director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the companies internal financial controls with reference to Standalone Financial Statements;
 - 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 by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V 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 Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. [Refer Note [A2.1]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 have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) , including foreign entity(ies) ("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 entity(ies) 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 have been received by the Company from any person(s) or entity(ies), including foreign entity(ies) ("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 entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate



Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- (v) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

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 for maintaining its books of account for the financial year ended March 31, 2026 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. 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
(FRN: 104202W)

Dhiren K. Rathore
(Partner)

Place: Mumbai
Date: May 21, 2026

M. No: 115126
UDIN: 26115126RAETYG5602

Annexure “A” to the Independent Auditors’ Report

(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, Capital work-in-progress 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, Capital work-in-progress and Right-of-use assets to cover all the items 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, Capital work-in-progress and Right-of-use assets. Physical verification of the assets has been carried out by the management during the year pursuant to the program in that respect and no material discrepancies were noticed on such verification.
- c) With respect to 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 Standalone Financial Statements included in Property, Plant and Equipment. According to information and explanations given to us and based on our verification of the property tax receipts for land on which building is constructed, registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deed in

respect of self-constructed buildings and title deed of all other immovable properties 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) There are no proceedings initiated during the year or are pending against the Company as on March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of its inventories:

- a) The inventories, except for Goods-in-transit and stock lying with third parties, were physically verified by the management at reasonable intervals. 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. No Discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification when compared with books of accounts.
- 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:

(₹In lakhs)

Quarter ended on	Amount as per books of accounts	Amount as reported in the statements	Difference	Reason for discrepancies
March 31, 2026	38,937.22	39,147.91	(210.69)	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, 2025	40,576.07	40,468.48	107.59	
September 30, 2025	39,542.54	39,543.34	(0.81)	
June 30, 2025	39,492.53	39,492.80	(0.26)	



iii. On the basis of our examination of the records of the company, 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 during the year.

- (a) During the year the Company has provided loans, advances in the nature of loans, provided guarantee and security to companies as follows:

(₹In lakhs)

Particulars	Loans Amount
Aggregate amount granted/ provided during the year	21,467.40
-Subsidiaries	
Balance outstanding as at balance sheet date in respect of above case	30,939.88
- Subsidiaries	

- (b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans to companies are not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, 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) According to the information and explanations given to us and based on the audit procedure performed, in respect of loans granted by the Company, there are no amounts of loans granted to companies which are overdue for more than ninety days.
- (e) There were no loans granted by the Company which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedure performed, the

Company has not 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 during the year. Accordingly, reporting under clause (iii)(f) of paragraph 3 of the Order is not applicable to the Company.

- iv. The Company has not granted loans or provided guarantees or securities to parties covered under Section 185 of the Companies Act, 2013 ("the Act"). The Company has complied with the provisions 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 Act and Rules made thereunder. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable to the Company.

- vi. The maintenance of cost records has not been specified by the central government under section 148(1) of the Company's Act, 2013 for the business activities carried out by the Company. 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, 2026 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, 2026 on account of any disputes are given below:
(₹In lakhs)

Nature of the Statute	Nature of dues	Amount (In lakhs)	Period to which Relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	68.65	FY 2012-13 to FY 2017-18	Joint Commissioner (Appeals)
Goods and Service Tax Act, 2017	Goods and Service Tax	527.68	FY 2017-18 to FY 2020-21	Commissioner (Appeals)
Goods and Service Tax Act, 2017	Goods and Service Tax	571.24	FY 2017-18 to FY 2020-21	Deputy Commissioner/ Assistant Commissioner/ Additional Commissioner/ Superintendent
Income Tax Act, 1961	Income Tax	222.52	AY 2010-11, AY 2011-12, AY 2015-16 to AY 2017-18 & AY 2020-21	Jurisdiction Assessing officer
Income Tax Act, 1961	Income Tax	204.07	AY 2018-19	Commissioner of Income-Tax (Appeals)

- viii.** The Company has not surrendered or disclosed any transactions, previously unrecorded as income 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 any government authority.
- (c) To the best of our knowledge and belief in our opinion, 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, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- (e) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken 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) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not raised any funds during the year on the pledge of securities held in its subsidiaries, joint ventures or associate 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) during the year. Accordingly, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year. Accordingly, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.
- 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.** In our opinion, all the 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 during the year and till the date of the audit report covering period upto March 31, 2026.
- xv.** In our opinion during the year, the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence, provision of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.** (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the company. Accordingly, reporting under clause (xvi)(a) of paragraph 3 of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities and is not required to obtain Certificate of Registration (CoR) for such activities from the Reserve Bank of India as per Reserve Bank of India Act, 1934. Accordingly, reporting under clause (xvi)(b) of paragraph 3 of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulation made by Reserve Bank of India. Accordingly, reporting under clause (xvi) (c) of paragraph 3 of the Order is not applicable to the Company.
- (d) As represented by the management, there is no core investment company within the Group (as defined



in the Reserve Bank of India (Core Investment Companies) Directions, 2025) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.

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 indicating 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 that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Hence reporting under clause(xx)(a) of paragraph 3 of the Order is not applicable to the Company.

(b) There are no unspent amounts, in respect of ongoing projects, that are required to be transferred to a special account in compliance with the provision of sub section (6) of section 135 of Companies Act. Hence reporting under clause (xx) (b) of paragraph 3 of the Order is not applicable to the Company.

For **Jeswani & Rathore**
Chartered Accountants
(FRN: 104202W)

Dhiren K. Rathore
(Partner)

Place: Mumbai
Date: May 21, 2026

M. No: 115126
UDIN: 26115126RAETYG5602

Annexure B to the Independent Auditor's Report

(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 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 at **March 31, 2026**, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's 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 with reference to Standalone Financial Statements based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Standalone Financial Statement 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 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 these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statement included obtaining an understanding of internal financial controls with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Standalone Financial Statements

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to these Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and;
3. Provide reasonable assurance regarding prevention or timely detection of 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 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 the explanations given to us, the Company has, in all material respects, an adequate internal financial controls

with reference to these Standalone Financial Statements and such internal financial controls with reference to these Standalone Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial 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
(FRN: 104202W)

Dhiren K. Rathore
(Partner)

Place: Mumbai
Date: May 21, 2026

M. No: 115126
UDIN: 26115126RAETYG5602

Standalone Balance Sheet

as at March 31, 2026

(₹ in lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	1	28,715.70	27,218.11
b) Capital Work in Progress	1	3,430.75	1,200.37
c) Intangible Assets	1	121.11	139.06
d) Right-of-Use Assets	1	1,568.10	2,061.82
e) Financial Assets			
i) Investments	2	362.00	362.00
ii) Loans	3	30,955.41	22,437.01
iii) Other Financial Assets	4	329.71	667.02
f) Current Tax Assets (Net)	5	8.22	8.22
g) Other Non-Current Assets	6	1,107.08	1,239.74
Total Non-Current Assets		66,598.08	55,333.35
Current Assets			
a) Inventories	7	24,356.42	22,090.68
b) Financial Assets			
i) Investments	2	11,968.44	3,102.70
ii) Trade Receivables	8	20,484.66	21,559.64
iii) Cash and Cash Equivalents	9	1,113.35	5,375.85
iv) Bank Balance other than (iii) above	10	1.75	5,583.53
v) Loans	3	53.85	35.32
vi) Other Financial Assets	4	60.20	582.74
c) Other Current Assets	6	1,929.31	1,927.94
Total Current Assets		59,967.97	60,258.41
Total Assets		126,566.06	115,591.76
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	11	5,269.77	5,269.77
b) Other Equity	12	104,999.11	94,855.71
Total Equity		110,268.88	100,125.47
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	1,513.80	1,584.32
ii) Lease Liabilities	14	1,184.86	1,696.17
iii) Other Financial Liabilities	15	0.50	7.34
b) Provisions	16	1,396.96	1,061.52
c) Deferred Tax Liabilities (Net)	17	832.34	860.82
d) Other Non-Current Liabilities	18	8.68	13.82
Total Non-Current Liabilities		4,937.14	5,223.99
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	9.49	72.75
ii) Lease Liabilities	14	574.91	523.74
iii) Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises;	19	1,413.69	1,716.83
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	19	4,346.63	2,849.57
iv) Other Financial Liabilities	15	2,243.16	2,390.92
b) Provisions	16	1,274.63	1,073.54
c) Other Current Liabilities	18	1,080.88	1,274.25
d) Current Tax Liabilities (Net)	20	416.64	340.70
Total Current Liabilities		11,360.04	10,242.29
Total Liabilities		16,297.17	15,466.28
Total Equity and Liabilities		126,566.06	115,591.76

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 21, 2026

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary



Standalone Statement of Profit & Loss

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
	INCOME			
1	Revenue from Operations	21	101,297.04	94,931.44
2	Other Income	22	4,083.23	3,501.06
	Total Income (A)		105,380.27	98,432.50
3	EXPENSES			
	(a) Cost of Material Consumed	23	51,535.51	49,283.58
	(b) Purchases of Stock-in-Trade	24	1,584.64	899.63
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(630.96)	(1,421.23)
	(d) Employee Benefits Expense	26	17,347.93	15,330.15
	(e) Finance Costs	27	313.86	383.63
	(f) Depreciation and Amortisation Expense	1	3,455.61	3,271.14
	(g) Other Expenses	28	15,956.10	15,599.58
	Total Expenses (B)		89,562.69	83,346.48
4	Profit Before Tax (C=A-B)		15,817.58	15,086.02
5	Tax Expense			
	(a) Current Tax		4,033.63	3,871.81
	(b) Deferred Tax Expenses/(Credit)	17	(5.82)	6.16
	(c) Short/(Excess) Provision of tax relating to earlier years		(1.95)	(3.22)
	Total Tax Expenses (D)		4,025.86	3,874.75
6	Profit for the year (E=C-D)		11,791.72	11,211.27
7	Other Comprehensive Income			
	Items that will not be reclassified to Statement Of Profit Or Loss			
	(a) Remeasurement (losses) on Defined Benefit Plan		(90.04)	(3.83)
	(b) Income Tax effect on the above	17	22.66	0.96
	Total Other Comprehensive Income for the year (Net of Tax) (F)		(67.38)	(2.87)
8	Total Comprehensive Income for the year (G=E+F)		11,724.34	11,208.41
9	Earnings Per Equity Share of face value of ₹ 5/- each	29		
	Basic(In ₹)		11.19	10.64
	Diluted (In ₹)		11.19	10.64

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 21, 2026

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Alpesh Porwal
Chief Financial Officer

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Vishal Chanda
Company Secretary

Statement of Changes in Equity

a. Equity share capital:

(₹ in lakhs)

Balance as at April 01, 2025	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
5,269.77	-	-	-	5,269.77

(₹ in lakhs)

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2025	Changes in equity share capital during the year	Balance as at March 31, 2025
5,269.77	-	-	-	5,269.77

b. Other equity

(₹ in lakhs)

Particulars	Reserve & Surplus		Other Reserve	Total
	Retained Earning	Securities Premium	Other Comprehensive Income	
Balance as at April 1, 2024	50,048.42	34,036.42	(437.54)	83,647.30
Add : Profit for the year	11,211.27	-	-	11,211.27
Add : Issue of Equity Share	-	-	-	-
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
Add : Profit for the period	11,791.72	-	-	11,791.72
Less : Dividend Paid	-1,580.93	-	-	-1,580.93
Less : Other Comprehensive Income	-	-	-67.38	-67.38
Balance as at March 31, 2026	71,470.48	34,036.42	-507.79	104,999.11

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)

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 21, 2026

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary



Statement of Cash Flows

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A	Cash Flow From Operating Activities		
	Profit before tax	15,817.58	15,086.02
	Adjustments for:		
	Depreciation and amortisation Expenses	3,455.61	3,271.14
	Finance Cost	313.86	383.63
	Allowances for Expected Credit Loss on Trade Receivables	29.52	6.82
	Premium/(Discount) on Forward Contract	(2.27)	3.02
	Rent Income	(148.20)	(137.85)
	Foreign Exchange Flactuation	(154.20)	(30.04)
	Sundry Balance written off/back	0.82	(2.10)
	Government Grant Income	(5.67)	(6.19)
	Gain on Termination of Lease contract	-	(52.72)
	Interest Income	(2,436.94)	(2,724.28)
	Loss of Goods Destroyed By Cyclone/In Transit	-	17.97
	STT Charges	0.06	-
	Gain on Sale of Mutual Funds	(300.70)	(14.17)
	(Profit)/Loss on Sales of Property, Plant and Equipment	(203.90)	(3.380)
	Operating Profit before change in working capital	16,365.57	15,797.87
	Movements in working capital:		
	(Increase) in Inventories	(2,265.75)	(3,418.11)
	Decrease/(Increase) in Trade Receivables	1,199.67	(2,093.07)
	(Increase)/Decrease in Loans	(32.59)	8.07
	Decrease in Financial and Other Assets	991.13	605.07
	Increase/(Decrease) in Trade Payables	1,193.10	(1,224.13)
	Increase in Provisions	446.49	295.49
	(Decrease) in Financial and Other Liabilities	(345.17)	(533.15)
	Cash Generated From /(Used In) Operations	17,552.45	9,438.03
	Income Taxes Paid (Net)	(3,955.74)	(3,616.60)
	Net Cash Generated From / (Used In) Operating Activities (A)	13,596.71	5,821.43
B	Cash Flows From Investing Activities		
	Investment in subsidiary	-	(1.00)
	Rent Income	148.20	137.85
	Purchase of Property, Plant and Equipment and Intangible Asset	(6,730.09)	(6,150.47)
	Sales of Property, Plant and Equipment	336.07	7.01
	Investment in units of Mutual Funds	(34,250.00)	(6,425.00)
	Redemption of Mutual Funds Investment	25,684.91	3,336.47
	Loan given to subsidiaries	(8,504.34)	(9,144.25)
	Decrease/(Increase) In Bank Deposits And Other Bank Balances	5,581.78	12,633.82
	Interest received	2,436.94	2,724.28
	Net Cash Generated From / (Used In) Investing Activities (B)	(15,296.53)	(2,881.28)
C	Cash Flow From Financing Activities		
	Repayment of Borrowings	(133.78)	(1,908.59)
	Finance Costs Paid	(132.49)	(199.31)
	Dividend Paid	(1,580.93)	-
	Repayment of Principal Portion of Lease Liabilities	(715.49)	(650.97)
	Net Cash Generated From / (Used In) Financing Activities (C)	(2,562.68)	(2,758.87)
D	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(4,262.50)	181.27
	Cash and Cash Equivalents at the Beginning of the Year	5,375.85	5,194.58
	Cash And Cash Equivalents at the end of the year	1,113.35	5,375.85
	Components of Cash and Cash Equivalents		
	Cash on Hand	7.50	10.14
	Balances with scheduled banks		
	- in Cash Credit Accounts	1,058.33	1,350.61
	- in Current Accounts	0.44	1.14
	- in EEFC Account	11.07	9.40
	- Bank Deposits (Maturity less than 3 months)	9.94	4,000.00

Statement of Cash Flows

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Earmarked Deposit with bank - Unclaimed dividend	0.24	-
	LC Margin Money	25.83	4.57
	Total Cash and Cash Equivalents	1,113.35	5,375.85

*Other bank balances includes an amount of Nil as at March 31, 2026 (Previous Year March 31, 2025: ₹ 94.21 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)

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 21, 2026

Alpesh Porwal
Chief Financial Officer

Vishal Chanda
Company Secretary



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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-400093, Maharashtra, India. The Company has its primary listing on the BSE Ltd and National Stock Exchange of India Limited. The Company is engaged in manufacturing of writing instruments, stationeries and other allied(s).

2. BASIS OF PREPARATION, MEASUREMENT AND 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 and disclosure requirements of Division II of Schedule III of Companies Act, 2013 (Ind AS compliant Schedule III) as amended from time to time. These Standalone financial statements include Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the year ended March 31, 2026, and a summary of material accounting policy information and other explanatory information (together hereinafter referred to as "Financial Statements").

b) Basis of Measurement:

The Standalone financial statements for the year ended March 31, 2026 have been prepared on accrual basis following historical cost convention, except for the following 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;

Accounting policies and methods of computation followed in the Standalone financial statements are same as compared with the annual financial statements for the year ended March 31, 2025.

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 Standalone 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

The Standalone 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 in the statement of profit and loss in the year in which the estimates are revised & in any future periods affected.

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 Company based its assumptions and estimates on parameters available when the financial statements were

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 standalone 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 & future risks. 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 (including litigations) 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/rates available at the end of the reporting period on applicable 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.

- **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 its 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 estimated 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 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. In determining fair value less cost of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

- **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



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 net of recoverable taxes, trade discount & rebate. 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 & the cost can be measured reliably.

iii. Capital Work-in-Progress:

Capital Work-in-Progress includes expenditure during construction period incurred on projects during the project development stage prior to its intended use, 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in Standalone Statement of Profit and Loss in the year in which they arise.

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:

- In the principal market for the asset or liability, or**
- In the absence of a principal market, in the most advantageous market for the asset or liability.**

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, to



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial statements into three levels prescribed under the Ind AS 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

Incentives on exports and other Government incentives

Incentives on exports and other Government incentives related to operations are recognized in the Standalone Statement of Profit and Loss where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

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 comprises current tax expense and deferred tax expense & includes any adjustments related to part periods in current or deferred tax adjustments that may become necessary due to certain developments during the relevant period. 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 profit 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 measured 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 of raw materials is determined on a First In-First Out (FIFO) basis and includes all applicable costs, including inward freight, incurred in bringing goods to their present location and condition.

Cost of work-in-progress and finished goods includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

Cost of stock-in-trade, packing materials and stores and spares includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their present location and condition. Cost is determined on a weighted average basis.

Net realizable value represents the estimated selling price less all estimated costs of completion and estimated 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:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- 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



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 Standalone 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 Standalone 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 using the straight line method from the commencement date over the shorter period of lease term or 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 of the amount of the obligation. 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 risks specific to the liability using a current pre tax rate, when appropriate. 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 employee benefits and are recognised as an expense in the Standalone 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 is recognised in the Standalone 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).

2.14. 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 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.



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(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 of 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.

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 Standalone 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 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.

2.18. 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

for the year ended March 31, 2026

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. 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 Going Concern

The directors have at the time of approving the financial statements a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the company has applied the going concern basis of accounting in preparing the financial statements.

2.21 Recent accounting pronouncements

Standards issued but not yet effective

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, 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Impact of the initial application of new and amended Ind ASs that are effective in the current year

The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified

the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

Ind AS 1, Presentation of Financial Statements, w.e.f April 1, 2025:

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Ind AS 107, Financial Instruments: Disclosures, w.e.f. April 1, 2025:

The amendment introduces enhanced disclosure requirements for supplier finance arrangements (such as supply-chain finance or reverse factoring). Entities are required to disclose information that enables users of financial statements to assess the effects of such arrangements on the entity's liabilities, cash flows and exposure to liquidity risk. The disclosures include the nature and terms of the arrangements, the carrying amounts of related financial liabilities, the portion for which suppliers have already been paid by finance providers, and a comparison of payment terms under supplier finance arrangements with those of normal trade payables.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 1 : Property, Plant and Equipment

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, 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
Additions	27.77	82.96	3,305.63	47.45	49.79	41.54	83.29	746.21	10.02	1.40	78.19	4,474.23
Deductions/adjustments	-	-	108.20	-	-	-	-	1,126.11	-	-	29.98	1,264.29
Balance as on March 31, 2026	3,104.78	7,453.41	21,877.63	567.92	899.47	403.72	1,664.75	8,430.92	1,095.36	23.62	1,195.79	46,717.37
II. Depreciation												
Balance as on April 01, 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
Additions	-	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
Additions	-	240.31	1,304.00	83.76	81.81	48.42	145.50	721.05	83.86	1.96	133.80	2,844.48
Deductions/adjustments	-	-	79.42	-	-	-	-	1,025.58	-	-	27.12	1,132.12
Balance as on March 31, 2026	-	1,300.57	8,912.87	237.44	633.73	310.92	616.53	4,742.36	670.58	11.34	565.32	8,001.67
III. Net Block												
Balance as on March 31, 2026	3,104.78	6,152.84	12,964.75	330.48	265.74	92.80	1,048.21	3,688.56	424.77	12.28	630.47	28,715.70
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

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

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Work In Progress	3,430.75	1,200.37
Total	3,430.75	1,200.37



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Ageing for CWIP as at March 31, 2026 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	2,293.46	996.34	140.95	-	3,430.75
Project is temporarily suspended	-	-	-	-	-
TOTAL	2,293.46	996.34	140.95	-	3,430.75

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

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, 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
Additions	25.48	-	25.48
Deductions/adjustments	-	-	-
Balance as on March 31, 2026	527.76	8.86	536.62
II. Depreciation			
Balance as on April 01, 2024	322.01	5.16	327.17
Additions	44.27	0.63	44.90
Deductions/adjustments	-	-	-
Balance as on March 31, 2025	366.28	5.79	372.07
Additions	42.92	0.52	43.44
Deductions/adjustments	-	-	-
Balance as on March 31, 2026	409.20	6.31	415.51
III. Net Block			
Balance as on March 31, 2026	118.56	2.55	121.11
Balance as on March 31, 2025	135.99	3.07	139.06

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 1 : Rights-of-Use Assets

(₹ in lakhs)

Particulars	Leased Assets
I. Gross Block	
Balance as on April 01, 2024	3,684.23
Additions	958.63
Deductions/adjustments	276.48
Balance as on March 31, 2025	4,366.38
Additions	73.98
Deductions/adjustments	-
Balance as on March 31, 2026	4,440.36
II. Depreciation	
Balance as on April 01, 2024	1,758.67
Additions	545.89
Deductions/adjustments	-
Balance as on March 31, 2025	2,304.56
Additions	567.69
Deductions/adjustments	-
Balance as on March 31, 2026	2,872.25
III. Net Block	
Balance as on March 31, 2026	1,568.10
Balance as on March 31, 2025	2,061.82

Note 2 : Investments

(₹ in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	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)	360,000	360.00	360,000	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	10,000	1.00
Total non-current investments	380,000	362.00	380,000	362.00
Aggregate Carrying Value of Unquoted Investments	-	362.00	-	362.00
Aggregate Carrying Value of Unquoted Investments measured at cost	-	362.00	-	362.00
Current				
Investment measured at Fair Value Through Profit and Loss (FVTPL)				
Quoted fully paid up				
Investment in Mutual Fund				
10913549.173 Units of Aditya Birla Sun Life Arbitrage Fund - Growth (P.Y. : Nil)	-	3,000.00	-	-
20865422.867 Units of Nippon India Arbitrage Fund - Growth (P.Y. : Nil)	-	5,663.73	-	-
16540.793 Units of Nippon India Liquid Fund - Growth (P.Y. : Nil)	-	1,100.00	-	3,102.70
2284183.323 Units)				
14812592.093 Units of Tata Arbitrage Fund Regular - Growth (P.Y. : Nil)	-	2,204.70	-	-
Total current investments	-	11,968.44	-	3,102.70
Aggregate amount of Quoted Investments	-	11,968.44	-	3,102.70
Aggregate amount of Quoted Investments - Market Value	-	12,127.91	-	3,114.02
Aggregate amount of Quoted Investments measured at Amortised Cost	-	11,968.44	-	3,102.70



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 3 : Loans

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non- Current		
Unsecured, Considered good		
Loans and Advances to Employees [#]	15.53	1.53
Subsidiary Companies	30,939.88	22,435.48
Total	30,955.41	22,437.01
Current		
Unsecured, Considered good		
Loans and Advances to Employees [#]	53.85	35.26
Subsidiary Companies	-	0.06
Total	53.85	35.32

[#]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, 2026		As at March 31, 2025	
	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	20,553.33	66.28%	13,811.63	61.46%
Flair Cyrosil Industries Pvt Ltd	10,139.25	32.70%	8,620.25	38.36%
Monterosa Stationery Pvt Ltd	247.30	0.80%	3.66	0.02%

Note 4 :Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non- Current		
Security Deposits	329.21	341.41
Bank Deposits (Maturity more than 12 months) [#]	0.48	2.12
Interest Receivable	0.02	1.83
Other Deposits	-	321.66
Total	329.71	667.02
Current		
Security Deposits	59.87	379.65
Interest Receivable	0.33	196.64
Other Deposits	-	6.45
Total	60.20	582.74
# includes deposits having restrictive use on account of:		
Pledged with Government Authorities	0.48	2.12

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 5 : Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Income Tax Assets	8.22	8.22
Total	8.22	8.22

Note 6 : Other Assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non- Current		
Unsecured, Considered good		
Capital Advances	811.16	1,011.99
Balances with Government Authorities	43.72	43.72
Prepaid Expenses	88.45	22.52
Insurance claim Receivable	163.77	161.51
Total	1,107.08	1,239.74
Current		
Unsecured, Considered good		
Advances to Suppliers and Others	685.99	794.44
Balances with Government Authorities	696.67	724.33
Prepaid Expenses	429.90	195.23
Others Receivable	116.75	213.94
Total	1,929.31	1,927.94

Note 7 :Inventories

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Inventories		
Raw and Packing Materials	10,887.13	9,239.42
Raw and Packing Materials (In Transit)	34.11	19.08
Semi-Finished Goods	6,172.16	6,629.90
Semi-Finished Goods (In Transit)	-	25.05
Finished Goods	6,444.41	5,524.51
Finished Goods (In Transit)	148.86	35.31
Stock of Spares	246.16	274.11
Finished Goods (Traded Goods)	423.60	343.30
Total	24,356.42	22,090.68

- The Inventories have been valued as per Note 2.10 of Material Accounting Policies.
- Inventories are hypothecated against cash credit facilities availed by the company totaling to ₹ 10850 lakhs.
- The cost of inventories recognised as an expense during the year was ₹ 52489.19 lakhs (March 31, 2025: ₹ 48761.98 lakhs).
- The Company has no write-down of inventory to net realisable value as at March 31, 2026 and March 31, 2025.



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 8 :Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, Considered good		
Trade Receivables # (Refer Note 34 for related party balances)	20,603.44	21,679.79
Less: Allowance for expected credit loss	118.79	120.15
Total	20,484.66	21,559.64

*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, 2026	As at March 31, 2025
Balance at beginning of the year	120.15	116.80
Provision during the year	29.52	6.82
Bad debts written off (net)	30.88	3.47
Balance at end of the year	118.79	120.15

Ageing for trade receivables – non-current outstanding as at March 31, 2026 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	19,910.16	299.62	218.45	56.43	118.79	20,603.44
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	-	-	-	-	-118.79	-118.79
Total	19,910.16	299.62	218.45	56.43	-	20,484.66

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 9 : Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on Hand	7.50	10.14
Balances with Banks		
- In Cash Credit Accounts	1,058.33	1,350.61
- In Current Accounts	0.44	1.14
- In EEFC Accounts	11.07	9.40
- Bank Deposits (Maturity less than 3 months)	9.94	4,000.00
Earmarked Deposit with bank - Unclaimed dividend	0.24	-
LC Margin Money	25.83	4.57
Total	1,113.35	5,375.85

Note 10 : Other Bank Balances

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
- Deposits with original maturity of more than three months but less than twelve months [#]	1.75	5,489.32
- Balance In Escrow Account (Public Issue)	-	94.21
Total	1.75	5,583.53
# includes deposits having restrictive use on account of:		
Pledged with Government Authorities	1.75	-

Note 11 : Equity Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
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, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares :				
Balance as at the beginning of the year	105,395,378	5,269.77	105,395,378	5,269.77
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	105,395,378	5,269.77	105,395,378	5,269.77



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

b) Details of Equity Shares held by Shareholders Holding more than 5% of the aggregate Shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	% of share Holding	Number of Shares	% of share Holding
Equity Shares				
Khubilal J. Rathod	16,592,235	15.74%	16,592,235	15.74%
Vimalchand J. Rathod	12,440,887	11.80%	12,440,887	11.80%
Rajesh K. Rathod	8,276,380	7.85%	8,276,380	7.85%
Mohit K. Rathod	8,276,380	7.85%	8,276,380	7.85%
Sumit V. Rathod	8,276,380	7.85%	8,276,380	7.85%
Nirmala K. Rathod	8,276,380	7.85%	8,276,380	7.85%
Manjula V. Rathod	8,276,380	7.85%	8,276,380	7.85%

c) Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of equity shares having face value of ₹ 5 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing 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, 2026			As at March 31, 2025		
	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	16,592,235	15.74%	0.00%	16,592,235	15.74%	0.00%
Vimalchand J. Rathod	12,440,887	11.80%	0.00%	12,440,887	11.80%	0.00%
Rajesh K. Rathod	8,276,380	7.85%	0.00%	8,276,380	7.85%	0.00%
Mohit K. Rathod	8,276,380	7.85%	0.00%	8,276,380	7.85%	0.00%
Sumit V. Rathod	8,276,380	7.85%	0.00%	8,276,380	7.85%	0.00%
	53,862,262	51.10%		53,862,262	51.10%	

e) Information regarding issue of shares in the last five years

The Company allotted 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, 2026	As at March 31, 2025
i) Retained Earnings		
Balance at the beginning of the year	61,259.70	50,048.42
Add: Profit for the year	11,791.72	11,211.27
Less: Dividend paid during the year	-1,580.93	-
Balance at the end of the year (a)	71,470.48	61,259.70
ii) Securities Premium		
Balance at the beginning of the year	34,036.42	34,036.42
Add: Issue of Equity share	-	-
Less: Utilized issue expenses	-	-
Balance at the end of the year (b)	34,036.42	34,036.42

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
iii) Other Comprehensive Income		
Balance at the beginning of the year	-440.41	-437.54
Remeasurement (losses) on Defined Benefit Plan	-67.38	-2.87
Balance at the end of the year (c)	-507.79	-440.41
Balance as at the end of the year (a+b+c)	104,999.11	94,855.71

Note 13 : Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non - Current		
Secured - at Amortised cost		
Term Loan - from Bank	-	9.52
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 34)	1,486.27	1,517.07
Loan from Related Parties (Refer Note 34)	27.53	57.73
Total	1,513.80	1,584.32
Current		
Secured - at Amortised cost		
Current maturities of Long term borrowings	9.49	72.56
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 34)	-	0.20
Total	9.49	72.75

(₹ in lakhs)

Nature of Borrowing	Name of the lender	Nature of Borrowing	Loan Currency	Amount outstanding as on March 31, 2026	Rate of Interest	Repayment terms
Car Loan	Axis Bank	Car Loan	INR	4.87	7.71%	60 Months
Car Loan	Axis Bank	Car Loan	INR	2.43	8.45%	37 Months
Car Loan	Axis Bank	Car Loan	INR	2.19	8.45%	37 Months

Note:

- Refer Note 32 for information on Company's exposure to Interest rate, Foreign Currency and Liquidity risks.
- 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.
- 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.
- The Unsecured Loan taken from Directors and related parties is subject to interest rate of 7.25% p.a to 8.00% p.a. The same is repayable upto Financial Year ending March 31, 2030.
- e) The Company has not defaulted on financial covenants, repayment of loans and interest thereon.



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

f) 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 reconciliation 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, 2026	38,937.22	39,147.91	-210.69	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, 2025	40,576.07	40,468.48	107.59	
September 30, 2025	39,542.54	39,543.34	-0.81	
June 30, 2025	39,492.53	39,492.80	-0.26	
March 31, 2025	38,903.88	39,022.87	-118.99	
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	

Note 14 : Lease Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Lease Liabilities	1,184.86	1,696.17
Total	1,184.86	1,696.17
Current		
Lease Liabilities	574.91	523.74
Total	574.91	523.74

Note 15 : Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Retention Money	0.50	7.34
Total	0.50	7.34
Current		
Retention Money	-	95.69
Creditors for capital expenditure (including MSME Creditors)	143.54	180.05
Security Deposit Received	8.50	8.50
Derivatives Financial Liabilities	-	2.27
Unclaimed dividend	0.24	-
Other Payables	1,935.50	2,042.96
Unspent CSR	117.50	-
Issue Expenses Payables	37.88	61.45
Total	2,243.16	2,390.92

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 16 : Provisions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Provision for Employee Benefits (Refer Note 30)	1,396.96	1,061.52
Total	1,396.96	1,061.52
Current		
Provision for Employee Benefits (Refer Note 30)	1,274.63	1,073.54
Total	1,274.63	1,073.54

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, 2026	As at March 31, 2025
Deferred Tax Liabilities	832.34	860.82
Total	832.34	860.82

Movement in deferred tax balances for the year ended March 31, 2026

(₹ in lakhs)

Particulars	As at April 1, 2025	Recognised in profit or loss	Recognised in OCI	As at March 31, 2026
Deferred Tax Liabilities				
Property, Plant and Equipment and other Intangibles Assets	1,488.30	144.03	-	1,632.32
(A)	1,488.30	144.03	-	1,632.32
Deferred Tax Assets				
Provision for Gratuity	415.12	110.70	22.66	548.48
Provisions for Employee benefit obligation	122.23	1.68	-	123.91
Others	90.13	37.47	-	127.60
(B)	627.48	149.85	22.66	799.99
Net Deferred tax Liabilities	C = (A-B)	-5.82	-22.66	832.34

Movement in deferred tax balances for the year ended March 31, 2025

(₹ in lakhs)

Particulars	As at April 1, 2025	Recognised in profit or loss	Recognised in OCI	As at March 31, 2025
Deferred 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
Deferred 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 Liabilities	C = (A-B)	6.16	-0.96	860.82

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

for the year ended March 31, 2026

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, 2026	As at March 31, 2025
Non - Current		
Government Grants #	8.68	13.82
Total	8.68	13.82
Current		
Statutory Remittances	578.39	793.31
Revenue received in advance		
- Others	497.15	475.08
Government Grants #	5.34	5.86
Total	1,080.88	1,274.25

#Government Grants includes Subsidy Received on Capital Goods.

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
The movement of government grant is as below:		
Balance as at the beginning of the year	19.68	25.87
Add: Received during the year	-	-
Less: Government Grant recognised as income	5.67	6.19
Balance as at the end of the year	14.02	19.68

Note 19 : Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Outstanding Dues of Micro and Small Enterprises (Refer Note 34 for the related party balance)	1,413.69	1,716.83
Total Outstanding Dues of Creditors other than Micro and Small Enterprises (Refer Note 34 for the related party balance)	4,346.63	2,849.57
Total	5,760.32	4,566.40

Ageing for trade payables outstanding as at March 31, 2026 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 and Small Enterprises	1,413.69	-	-	-	1,413.69
- Others	4,334.98	0.31	11.35	-	4,346.63
Disputed dues- Micro and Small Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	5,748.67	0.31	11.35	-	5,760.32

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 and Small Enterprises	1,716.83	-	-	-	1,716.83
- Others	2,836.15	13.41	-	-	2,849.57
Disputed dues- Micro and Small Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	4,552.98	13.41	-	-	4,566.40

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 and Small Enterprises Development Act, 2006:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	1,413.22	1,715.03
- Interest	0.47	1.80
The amount of interest paid by the buyer in terms of section 16 of the Micro and Small 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.	0.47	1.80
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, 2026	As at March 31, 2025
Tax Expenses (Net of Advance Tax)	416.64	340.70
Total	416.64	340.70



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 21 : Revenue From Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Sale of Products		
Domestic	81,333.43	77,370.73
Export	18,837.49	16,567.94
b) Sale of Services	-	7.33
c) Other Operating Revenue		
Sale of Scrap	342.32	280.55
Export Incentives	783.80	704.88
Total	101,297.04	94,931.44

Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Disaggregation of revenue from contracts with customers		
Revenue from Operations		
Sale of Products		
Domestic	81,333.43	77,370.73
Export	18,837.49	16,567.94
Sale of Services	-	7.33
Other operating revenue	1,126.12	985.43
Total	101,297.04	94,931.44
b) Significant changes in the contract liabilities balances during the year		
Opening Balance	475.08	187.06
Add : Net additions during the year	487.53	463.88
Less : Revenue recognised during the year	465.45	175.86
Closing Balance	497.15	475.08
c) Contract liability (advance from customers)		
Advance from Customers	497.15	475.08
Total	497.15	475.08
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	102,844.32	95,735.52
Less : Discount, rebates, credits etc.	2,673.40	1,789.51
Add : Other operating revenue	1,126.12	985.43
Revenue from contracts with customers as per Statement of Profit and Loss	101,297.04	94,931.44

Note 22 : Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest		
- Bank	282.94	1,254.29
- Others	2,157.14	1,471.96
Other Non-Operating Revenue		
Government Grant Income	5.67	6.19
Gain On Foreign Currency Transactions (Net)	976.05	556.41
Premium/(Discount) on Forward Contract	0.80	-
Development Income	7.13	1.98
Rent	148.20	137.85
Other Non-Operating Income	505.31	72.38
Total	4,083.23	3,501.06

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 23 : Cost of Materials Consumed

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year	9,258.50	7,255.35
Add: Purchase	53,198.25	51,286.73
Less: Inventories at the end of the year	10,921.24	9,258.50
Total	51,535.51	49,283.58

Note 24 : Purchases of Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases of Stock-in-Trade	1,584.64	899.63
Total	1,584.64	899.63

Note 25 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year		
Semi- Finished Goods	6,654.95	6,256.67
Finished Goods	5,903.12	4,880.16
Total (A)	12,558.06	11,136.83
Inventories at the end of the year		
Semi- Finished Goods	6,172.16	6,654.95
Finished Goods	7,016.87	5,903.12
Total (B)	13,189.03	12,558.06
Total (A-B)	-630.96	-1,421.23

Note 26 : Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Wages and Bonus	15,659.49	13,932.99
Contribution to Provident Fund and others (Refer Note 30)	986.01	932.09
Gratuity (Refer Note 30)	570.11	344.45
Staff Welfare Expenses	132.32	120.63
Total	17,347.93	15,330.15

Note 27 : Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Bank Interest	22.30	57.38
Interest on Right of Use Assets	181.37	184.32
Interest on delayed payment to MSME	0.47	1.93
Interest on Direct Tax / Indirect Tax	14.87	17.07
Borrowing Cost	94.84	122.93
Total	313.86	383.63



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 28 : Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Manufacturing Expenses		
Consumption of Stores and Spares	355.80	312.90
Electric Power, Fuel and Water	2,129.10	1,971.87
Freight Inward	167.71	153.45
Job Work and Other Related Expenditure	3,600.34	3,654.60
Loading and Unloading Expenses	47.83	31.37
Machine and Mould Maintenance	802.36	966.91
Factory Expenses	390.84	354.69
Establishment Expenses		
Charity and Donation	294.66	274.85
Electricity Charges	40.57	37.19
Insurance Expenses	140.16	111.23
Legal & Professional Fees	908.47	776.13
Postage & Courier	99.92	89.43
Printing and Stationery	42.97	47.55
Miscellaneous Expenses	120.33	102.54
Bank Charges	21.40	16.27
Loss of Goods Destroyed By Cyclone/In Transit	-	17.97
Repairs & Maintenance		
Computer	96.15	110.84
Vehicles	105.28	86.71
Others	241.46	166.43
Telephone & Communication Charges	73.58	60.06
Travelling & Conveyance	1,609.48	1,529.58
Director's Travelling & Conveyance	188.81	222.67
Director's Sitting Fees	9.90	11.10
Payments to Auditor (Refer Note 28.1)	53.00	53.00
Selling and Distribution Expenses		
Advertisement Expenses	1,145.65	1,439.93
Allowance For Expected Credit Loss On Trade Receivables	29.52	6.82
Sales Promotion & Marketing Expenses	249.28	289.70
Commission & Brokerage	347.11	316.63
Freight Outward	2,609.01	2,349.17
Export Expenses	35.42	38.00
Total	15,956.10	15,599.58

Note 28.1 Payments to Auditor

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
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

for the year ended March 31, 2026

Note 29 : 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, 2026	For the year ended March 31, 2025
(a) Profit for the year (₹ in lakhs)	11,791.72	11,211.27
(b) Weighted Average number of Ordinary Shares outstanding for the purpose of Basic Earning per share (numbers)	105,395,378	105,395,378
(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)	105,395,378	105,395,378
(e) Earning per share on profit for the year (Face Value ₹ 5 Per Share)		
- Basic (a/b) (in ₹)	11.19	10.64
- Diluted (a/d) (in ₹)	11.19	10.64

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

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's Contribution to Provident Fund	346.16	329.66
Employer's Contribution to Employee State Insurance Scheme	46.88	42.19
Employer's Contribution to Pension Scheme	592.97	560.24
Total	986.01	932.09

(B) Defined benefit plan

Gratuity

The Company has an obligation towards gratuity, an unfunded defined benefit retirement plan covering all/eligible employees. The plan provides for a lump-sum payment to vested employees at retirement or at death while in employment or on termination of employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation done as per Project Unit Credit Method.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of Chapter V (Gratuity) of the Code of Social Security 2020 (as amended from time to time). There is a risk of change in the regulations requiring higher gratuity payouts.

C. Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit obligation.

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit obligation at beginning of the year	1,649.39	1,385.33
Current Service Cost	292.65	245.47
Interest Cost	113.39	98.98
Remeasurement during the period due to :		
Actuarial loss / (gain)	90.04	3.83
Past Service Cost	164.07	-
Benefits paid	-130.28	-84.21
Defined Benefit obligation at end of the year	2,179.26	1,649.39
Net liability is bifurcated as follows :		
Current	782.31	587.87
Non-current	1,396.96	1,061.52
Net liability	2,179.26	1,649.39

II) Reconciliation of opening and closing balances of Fair Value of Plan Assets

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
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, 2026	For the year ended March 31, 2025
Fair Value of Plan Assets	-	-
Present Value of Obligation	2,179.26	1,649.39
Amount Recognised in Balance Sheet Surplus/(Deficit)	-2,179.26	-1,649.39

IV) Expenses recognised during the year

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
In Income Statement		
Current Service Cost	292.65	245.47
Interest Cost	113.39	98.98
Past Service Cost	164.07	-
Return on Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Net cost for the year recognised in Income statement	570.11	344.45
In Other Comprehensive Income		

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (Gain)/Loss	90.04	3.83
Return on Plan Assets	-	-
Net(Income)/Expenses for the year recognised in Other Comprehensive Income	90.04	3.83

V) Investments details

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Government securities	-	-
Public Securities	-	-
Others	-	-

VI) Actuarial Assumptions

(₹ in lakhs)

Mortality Table (Indian Assured Lives Mortality)	For the year ended March 31, 2026	For the year ended March 31, 2025
	(Ultimate)	(Ultimate)
Discount rate (p.a.)	6.85%	6.50%
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, 2026	For the year ended March 31, 2025
Assumptions -Discount rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	-2,131.06	-1,614.28
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	2,230.29	1,686.52
Assumptions - Salary Escalation rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	2,228.56	1,686.15
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	-2,132.27	-1,614.14

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 Standalone Financial Statements

for the year ended March 31, 2026

The following payments are expected contributions to the defined benefit plan in future years

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Within the next 12 months (next annual reporting period)	782.31	587.87
Between 2 and 5 years	1,020.34	819.86
Beyond 5 years	1,468.70	971.01
Total expected payments	3,271.34	2,378.73
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	4 years	4 years

Note 31 : Financial Instruments

Fair Value Measurement Hierarchy

As at March 31, 2026

(₹ in lakhs)

Particulars	Carrying amount				Fair Value Measurement Hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments	-	-	12,330.44	12,330.44	-	-	12,330.44	12,330.44
Trade Receivables	-	-	20,484.66	20,484.66	-	-	20,484.66	20,484.66
Cash and Cash Equivalents	-	-	1,113.35	1,113.35	-	-	1,113.35	1,113.35
Other Bank Balance	-	-	1.75	1.75	-	-	1.75	1.75
Loans	-	-	31,009.26	31,009.26	-	-	31,009.26	31,009.26
Other Financial Assets	-	-	389.91	389.91	-	-	389.91	389.91
Total Financial Assets	-	-	65,329.37	65,329.37	-	-	65,329.37	65,329.37
Financial Liabilities								
Non-Current Borrowings	-	-	1,513.80	1,513.80	-	-	1,513.80	1,513.80
Current Borrowings	-	-	9.49	9.49	-	-	9.49	9.49
Lease Liabilities	-	-	1,759.77	1,759.77	-	-	1,759.77	1,759.77
Trade payables	-	-	5,760.32	5,760.32	-	-	5,760.32	5,760.32
Other Financial Liabilities	-	-	2,243.66	2,243.66	-	-	2,243.66	2,243.66
Total Financial Liabilities	-	-	11,287.05	11,287.05	-	-	11,287.05	11,287.05

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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) The fair value of investment in Mutual Fund is measured at cost quoted price or NAV.
- b) 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.
- c) The fair value is determined by using the valuation model/technique with observable inputs and assumptions.
- d) The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates and yield curves at the balance sheet date.
- 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.



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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

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	For the year ended March 31, 2026	For the year ended March 31, 2025
Less than 6 months	19,910.16	20,302.56
6 months to 12 months	299.62	699.58
beyond 12 months	274.88	557.51
Total	20,484.66	21,559.64

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, 2026	As at March 31, 2025
Unutilised credit limit from bank (Rs. in lakhs)	10,729.93	10,760.30
Current Ratio	5.28	5.88
Liquid Ratio	3.06	3.69

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, 2026

(₹ in lakhs)

Particulars	As at March 31, 2026					TOTAL
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	
Financial liabilities						
Borrowings	9.49	-	-	1,513.80	-	1,523.30
Lease Liabilities	281.02	293.89	736.65	73.51	374.71	1,759.77
Trade payables	5,760.32	-	-	-	-	5,760.32
Other financial liabilities	2,243.16	-	0.50	-	-	2,243.66
	8,293.99	293.89	737.15	1,587.31	374.71	11,287.05
Derivative Liabilities	-	-	-	-	-	-
TOTAL	8,293.99	293.89	737.15	1,587.31	374.71	11,287.05

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

As at March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2025					TOTAL
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	
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

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, 2026	As at March 31, 2025
Interest Expense		
Loan from Banks	22.30	57.38
Unsecured loan from Directors & their relatives	94.84	121.31
Others	181.37	184.32
Total	298.51	363.00

Impact on Interest Expenses for the year on 1% change in Interest Rate

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1% Change in increase in Interest Rate	2.99	3.63
1% Change in decrease in Interest Rate	-2.99	-3.63

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.



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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, 2026				As at March 31, 2025			
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY
Financial assets								
Trade receivables	3,734.34	32.80	-	-	5,575.30	5.79	-	-
Other assets	385.86	32.81	558.83	84.50	607.65		637.22	53.68
Financial liabilities								
Trade payables	802.48	28.89	-	124.74	88.31	21.45	-	62.69
Other liabilities	330.30	0.81	-	-	441.80	-	-	-
Net Exposure	2,987.42	35.92	558.83	-40.24	5,652.84	-15.66	637.22	-9.01

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, 2026				As at March 31, 2025			
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY
1% Depreciation in INR								
Impact on Profit & Loss	29.87	0.36	5.59	-0.40	56.53	-0.16	6.37	-0.09
TOTAL	29.87	0.36	5.59	-0.40	56.53	-0.16	6.37	-0.09
1% Appreciation in INR								
Impact on Profit & Loss	-29.87	-0.36	-5.59	0.40	-56.53	0.16	-6.37	0.09
TOTAL	-29.87	-0.36	-5.59	0.40	-56.53	0.16	-6.37	0.09

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, 2026	As at March 31, 2025
Current tax	4,033.63	3,871.81
Deferred tax	-5.82	6.16
Short/(Excess) Provision of tax relating to earlier years	-1.95	-3.22
Total Income Tax expenses	4,025.86	3,874.75

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Remeasurement (losses) on Defined Benefit Plan	-90.04	-3.83
Tax (expense)/ benefit	22.66	0.96
Net of tax	-67.38	-2.87

(c) Reconciliation of effective income tax rate

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before tax	15,817.58	15,086.02
Company's domestic tax rate	25.17%	25.17%
Income tax using the Company's tax rate	3,980.97	3,796.85
Tax effect of:		
Permanent disallowances	80.46	65.74
Timing Difference	-25.09	9.22
Others	-2.71	-
Deferred tax	-5.82	6.16
Short/(Excess) Provision of tax relating to earlier years	-1.95	-3.22
Income tax as per Profit & Loss Account	4,025.86	3,874.75
Effective Tax Rate	25.45%	25.68%

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 Deven Bipin Shah Mayur Gala Alpesh Porwal Vishal Chanda



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Nature of Relationship	Name of Related Party
(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
	Rathod N Rathod
	Omax Industries
	Flair Writing Aids

(c) Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Sale of Goods			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	1,891.33	1,543.12
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	36.08	53.50
	Omax Industries		-	5.88
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	13.63	17.98
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	45.77	-
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	6.86	-
2	Sale of Fixed Assets			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	13.07	2.39
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	31.37	-
3	Purchase of Goods			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	4,109.63	2,049.73
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	490.60	478.11
	Omax Industries		6.01	49.77
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	571.25	334.75
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	1,258.61	35.09
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	47.09	22.02
4	Purchase of Fixed Assets			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	64.26	22.95
5	Power Charges			
	Flair Writing Aids	Enterprises over which Key Managerial Personnel are able to exercise significant influence	11.10	-
	Flair Pen & Plastic Industries		2.65	-
6	Rent Expense			
	Khubilal J. Rathod	Key Managerial Personnel	-	3.90
	Vimalchand J. Rathod	Key Managerial Personnel	10.79	14.18
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	217.00	201.60
	Flair Pen & Plastic Industries		264.16	244.45
	Rathod N Rathod		1.80	1.80
	Flair Writing Aids		15.00	-
	Nirmala Rathod	Relative of KMP	59.24	51.90
	Manjula Rathod	Relative of KMP	59.24	51.90

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2026	For the year ended March 31, 2025
7	Rent Income			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	142.20	135.50
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	1.20	0.50
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key	1.20	0.50
	Flair Pens Ltd.	Managerial Personnel are able to	1.20	0.50
	Flair Pen & Plastic Industries	exercise significant influence	1.20	0.50
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	0.60	0.15
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	0.60	0.20
8	Re-imburement of Expenses (Paid)			
	Flair Pens Ltd.	Enterprises over which Key	-	9.68
		Managerial Personnel are able to		
		exercise significant influence		
	Jayesh Jain	Relative of KMP	-	0.76
9	Re-imburement of Expenses (Received)			
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	171.49	131.62
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	9.63	9.06
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	432.04	305.54
	Flair Pens Ltd.	Enterprises over which Key	0.00	0.94
	Flair Pen & Plastic Industries	Managerial Personnel are able to	0.00	-
		exercise significant influence		
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	1.78	-
10	Interest Income			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	1,389.20	834.57
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	739.54	614.83
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	4.42	0.07
11	Interest Expenses			
	Khubilal J. Rathod	Key Managerial Personnel	17.48	9.78
	Vimalchand J. Rathod	Key Managerial Personnel	26.38	13.24
	Rajesh Rathod	Key Managerial Personnel	6.86	11.23
	Mohit Rathod	Key Managerial Personnel	4.71	21.28
	Sumit Rathod	Key Managerial Personnel	9.01	5.64
	Nirmala Rathod	Relative of KMP	1.37	2.97
	Manjula Rathod	Relative of KMP	4.36	5.16
	Sangita Rathod	Relative of KMP	3.68	14.88
	Shalini Rathod	Relative of KMP	3.03	11.91
	Sonal Rathod	Relative of KMP	14.19	20.12
	Sunita Jain	Relative of KMP	1.64	2.68
	Kiemaya Rathod	Relative of KMP	2.15	2.41
12	Director/Managerial Remuneration			
	Khubilal J. Rathod	Key Managerial Personnel	84.00	72.60
	Vimalchand J. Rathod	Key Managerial Personnel	84.00	72.60
	Rajesh Rathod	Key Managerial Personnel	84.00	72.84
	Mohit Rathod	Key Managerial Personnel	84.00	72.84
	Sumit Rathod	Key Managerial Personnel	84.00	72.84
	Mayur Gala	Key Managerial Personnel	-	22.84
	Vishal Chanda	Key Managerial Personnel	16.32	14.60
	Alpesh Porwal	Key Managerial Personnel	120.00	53.23
13	Director/Managerial Commission			
	Jayesh Jain	Relative of KMP	180.31	162.05
14	Sitting Fees			
	Punit Saxena	Key Managerial Personnel	2.50	3.50
	Manoj Lalwani	Key Managerial Personnel	1.30	1.80



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2026	For the year ended March 31, 2025
	Sheetal B. Shetty	Key Managerial Personnel	1.00	1.30
	Rajneesh Bhandari	Key Managerial Personnel	3.30	2.40
	Deven Bipin Shah	Key Managerial Personnel	1.80	2.10
15	Loan Taken			
	Khubilal J. Rathod	Key Managerial Personnel	3,127.45	1,955.80
	Vimalchand J. Rathod	Key Managerial Personnel	2,138.06	1,593.07
	Rajesh Rathod	Key Managerial Personnel	530.25	1,374.15
	Mohit Rathod	Key Managerial Personnel	759.20	806.10
	Sumit Rathod	Key Managerial Personnel	265.11	635.15
16	Loan Repaid			
	Khubilal J. Rathod	Key Managerial Personnel	2,892.76	1,804.76
	Vimalchand J. Rathod	Key Managerial Personnel	2,110.86	1,393.39
	Rajesh Rathod	Key Managerial Personnel	532.08	1,477.65
	Mohit Rathod	Key Managerial Personnel	890.17	1,973.95
	Sumit Rathod	Key Managerial Personnel	399.49	456.59
	Nirmala Rathod	Relative of KMP	1.50	80.54
	Manjula Rathod	Relative of KMP	1.50	10.65
	Sangita Rathod	Relative of KMP	3.50	203.35
	Shalini Rathod	Relative of KMP	2.00	256.13
	Sonal Rathod	Relative of KMP	17.00	49.25
	Sunita Jain	Relative of KMP	30.40	-
17	Loan Given			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	15,127.70	10,337.20
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	6,063.00	4,378.50
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	276.70	3.60
18	Loan Received			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	8,386.00	4,358.11
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	4,544.00	1,217.00
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	33.06	-

(d) Outstanding balances as at the year end

(₹ in lakhs)

Sr. No.	Nature of Balance Outstanding	Type	As at March 31, 2026	As at March 31, 2025
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	1.00
2	Trade Payables			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	582.58	255.64
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	59.14	59.09
	Omax Industries		0.02	-
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	54.76	140.39
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	152.89	38.44
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	1.49	-
3	Trade Recievables			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	475.37	68.34
	Flomaxe Stationery Pvt. Ltd	Step-down Subsidiary Company	29.07	-
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	-	1.65

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Nature of Balance Outstanding	Type	As at March 31, 2026	As at March 31, 2025
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	4.69	4.85
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	8.04	-
4	Loan Outstanding (Liability)			
	Khubilal J. Rathod	Key Managerial Personnel	536.77	302.08
	Vimalchand J. Rathod	Key Managerial Personnel	401.86	374.66
	Mohit Rathod	Key Managerial Personnel	26.50	157.47
	Rajesh Rathod	Key Managerial Personnel	125.00	126.83
	Sumit Rathod	Key Managerial Personnel	57.00	191.38
	Nirmala Rathod	Relative of KMP	17.69	19.19
	Manjula Rathod	Relative of KMP	55.72	57.22
	Sangita Rathod	Relative of KMP	45.77	49.27
	Shalini Rathod	Relative of KMP	38.75	40.75
	Sonal Rathod	Relative of KMP	181.21	198.21
	Sunita Jain	Relative of KMP	-	30.40
	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
6	Rent Receivable			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	0.54	14.44
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	0.24	-
	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	0.94	0.59
7	Loan Outstanding (Assets)			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	20,553.33	13,811.63
	Flair Cyrosil Industries Pvt. Ltd.	Subsidiary Company	10,139.25	8,620.25
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	247.30	3.66
8	Director/Managerial Commission (Outstanding)			
	Jayesh Jain	Relative of KMP	16.39	10.36
9	Other Receivables			
	Monterosa Stationery Pvt. Ltd	Subsidiary Company	-	9.47
10	Other Payable			
	Flair Writing Equipments Pvt Ltd.	Subsidiary Company	-	0.24



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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 .

The following table summarizes the capital:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Gross Debt including lease liability		
Long Term Debt	1,513.80	1,584.32
Short Term Debt	9.49	72.75
Lease liabilities	1,759.77	2,219.91
Less: Cash and Cash Equivalents	1,113.35	5,375.85
Net Debt (A)	2,169.71	-1,498.87
Total Equity (B)	110,268.88	100,125.47
Net Gearing Ratio (A/B)	0.020	-0.015

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 Allies" 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, 2026	81,675.74	19,621.30	101,297.04
For the year ended March 31, 2025	77,658.61	17,272.83	94,931.44
Non-Current Assets*			
As at March 31, 2026	34,942.74	-	34,942.74
As at March 31, 2025	31,859.10	-	31,859.10

*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, 2026 and March 31, 2025.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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, 2026	For the year ended March 31, 2025
a) Amount required to be spent as per Section 135 of Companies Act, 2013	306.91	254.32
b) Amount Spent during the year	-	-
i) Construction/Acquisition of assets	-	-
ii) On purpose other than above	171.83	271.89
c) Short/Excess amount spent under section 135 (5)	-17.57	-
i) Amount required to be spent during the year	306.91	254.32
ii) Actual amount spent/incurred during the year	171.83	271.89
Short/(Excess) amount spent*	117.50	-17.57
d) Nature of CSR activities	Education and Social welfare	
e) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

*Unspent CSR amount for the year ended March 31, 2026 ₹117.50 lakhs earmarked for CSR ongoing project related to educational purpose transferred to Unspent CSR account with in due date of April 30, 2026. and has been charged off to profit and loss for the year ended March 31, 2026.

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, 2026	For the year ended March 31, 2025
a) Reduction in Lease Rental	-715.49	-650.97
b) Increase in Depreciation	567.69	545.89
c) Increase in Interest	181.37	184.32
Net Impact on Profit before Tax	33.58	79.24

Note 39 : Contingent Liabilities and Commitments

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Contingent Liability		
a) Disputed GST, Excise and Service Tax Matters	1,167.57	1,102.59
b) Income Tax Matters	426.59	426.60
c) Letter of Credit	120.07	81.72
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:	1,608.50	296.33

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.



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 40 : Ratio Analysis

Ratio	Numerator	Denominator	2025-26	2024-25	Variance (in %)	Explanation for change in the ratio by more than 25%
			Ratio	Ratio		
Current Ratio (in times)	Current Assets	Current Liabilities	5.28	5.88	-10.20%	
Debt-Equity Ratio (in times)	Total Debt	Total equity	0.03	0.04	-25.00%	
Debt service coverage ratio (in times)	Earning for Debt Service	Debt service	1.94	1.73	12.14%	
Return on equity ratio (in %)	Net Profit after taxes	Total equity	10.69%	11.20%	-4.55%	
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.82	4.63	4.10%	
Trade Payable turnover ratio (in times)	Purchase	Average trade payables	10.61	10.08	5.26%	
Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	3.05	3.23	-5.57%	
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	2.05	1.84	11.41%	
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.64%	11.81%	-1.44%	
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed	14.10%	14.75%	-4.41%	
Return on investment (in %)	Gain on Sale of Mutual Funds	Cost of Investment	1.20%	0.43%	179.07%	Due to increase in profit during the year and changes in the investment base/ funds deployed.

Note 41 : Additional regulatory information required by Schedule III of Companies Act, 2013

- 1) The company does not have any benami property, where any proceeding have been initiated or are pending against the Company for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

- 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 each reporting period 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 each reporting period.
- 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 has not been declared as willful 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 charge or satisfaction which is yet to be registered with the 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 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, 2026	Unutilised amount March 31, 2026
Setting up new Valsad unit	5,599.30	5,599.30	-
Funding capital expenditure of the Company and it's Subsidiary, Flair Writing Equipments Private Limited	8,674.80	8,674.80	-
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	27,303.72	-



Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note 43 : Significant Events After The Reporting Period

The Board of Directors have recommended distribution of final dividend at the rate of 10% i.e. ₹0.50 per equity share (for financial year 2024-25 : ₹1.00 per equity share) of the face value of ₹ 5 for the financial year 2025-26, 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 for issue by the Board of Directors on May 21, 2026.

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 21, 2026

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Alpesh Porwal
Chief Financial Officer

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Vishal Chanda
Company Secretary

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 of Consolidated Balance Sheet as at March 31, 2026, 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.

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, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profits, and their consolidated other comprehensive loss, 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") as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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, 2026, 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 ₹163.77 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 Financial Statements and Auditor's Report Thereon

- The Parent's and Board of Directors is responsible for the other information. The other information comprises the information included in the Group Annual Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.
- Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether 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's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the 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 Board of Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and 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 controls 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 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 or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statement of such entities or business activities included in the Consolidated Financial Statements of which we are independent auditors.

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 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 clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and auditors of respective Companies included in the Consolidated

Financial Statement to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualification or adverse remarks by auditors in the CARO reports of the said Companies included in Consolidated Financial Statement.

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, maintained by the Group, including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept 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 representation received from the directors of the Parent as on March 31, 2026 taken on record by the Board of Directors of the Parent 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, 2026 from being appointed as a Director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to 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 and 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 by the Parent and its subsidiary companies to their respective directors during the year are in accordance with the provisions of section 197 read with Schedule V 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 disclose 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 for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2026.
 - iv. (a) The respective Managements of the Parent 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 have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entity(ies) ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Parent or any of its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India and whose financial statement have been audited under the Act, have represented to us, that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entity(ies) ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or

any of such subsidiaries shall, directly or indirectly, lend to or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures performed 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. The final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 45 to the Consolidated Financial Statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent 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 whose Financial Statement have been audited under the Act, the Group have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2026 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 respective software. 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 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

Place: Mumbai

Date: May 21, 2026

UDIN: 26115126XOVRCE7020

Annexure – “A” to the 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 Flair Writing Industries Limited (hereinafter referred to as “Parent Company”) as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Consolidated Financial Statements of the 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 with reference to the Consolidated Financial Statements 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 Consolidated 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 Parent 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 these 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 these Consolidated Financial Statements includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 authorizations of management and directors of the Company and;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the 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 these Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or



fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to 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, 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 with reference to these Consolidated Financial Statements and such internal financial Controls with reference

to these Consolidated Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to these 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)

Place: Mumbai
Date: May 21, 2026

M. No: 115126
UDIN: 26115126XOVRCE7020

Consolidated Balance Sheet

As at March 31, 2026

(₹ in lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	1	45,425.57	39,552.00
b) Capital Work in Progress	1	6,000.04	2,297.68
c) Intangible Assets	1	122.12	140.21
d) Right-of-Use Assets	1	2,617.26	2,989.07
e) Goodwill	1	36.02	36.02
f) Financial Assets			
i) Loans	2	22.28	1.53
ii) Other Financial Assets	3	961.50	1,199.63
g) Current Tax Assets (Net)	4	9.21	9.21
h) Other Non-Current Assets	5	1,524.32	1,831.03
Total Non-Current Assets		56,718.33	48,056.37
Current Assets			
a) Inventories	6	35,395.97	28,705.74
b) Financial Assets			
i) Investment	7	11,968.44	3,102.70
ii) Trade Receivables	8	27,336.50	25,892.12
iii) Cash and Cash Equivalents	9	1,129.65	5,662.33
iv) Bank Balance other than (iii) above	10	2.82	5,756.84
v) Loans	2	62.85	35.26
vi) Other Financial Assets	3	60.20	582.74
c) Other Current Assets	5	3,978.68	4,019.16
Total Current Assets		79,935.11	73,756.90
Total Assets		136,653.44	121,813.27
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	11	5,269.77	5,269.77
b) Other Equity	12	108,893.42	96,578.60
Equity attributed to equity holders of the parent		114,163.19	101,848.37
Non Controlling Interest		91.47	(64.11)
Total Equity		114,254.65	101,784.26
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	2,866.22	2,120.75
ii) Lease Liabilities	14	2,000.91	2,452.90
iii) Other Financial Liabilities	15	5.77	7.34
b) Provisions	16	1,458.08	1,101.03
c) Deferred Tax Liabilities (Net)	17	759.34	746.25
d) Other Non-Current Liabilities	18	8.68	13.82
Total Non-Current Liabilities		7,099.00	6,442.09
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	13	854.94	844.09
ii) Lease Liabilities	14	906.91	765.14
iii) Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises;	19	2,227.65	2,381.96
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	19	4,424.62	3,011.26
iv) Other Financial Liabilities	15	3,339.79	3,339.72
b) Provisions	16	1,566.67	1,272.35
c) Other Current Liabilities	18	1,506.02	1,628.64
d) Current Tax Liabilities (Net)	20	473.19	343.77
Total Current Liabilities		15,299.78	13,586.92
Total Liabilities		22,398.78	20,029.01
Total Equity and Liabilities		136,653.44	121,813.27

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 21, 2026

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Alpesh Porwal
Chief Financial Officer

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Vishal Chanda
Company Secretary



Consolidated Statement of Profit & Loss

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
	INCOME			
1	Revenue from Operations	21	125,010.63	107,986.03
2	Other Income	22	2,076.54	2,459.74
	Total Income (A)		127,087.17	110,445.78
3	EXPENSES			
	(a) Cost of Material Consumed	23	62,595.87	55,872.84
	(b) Purchases of Stock-in-Trade	24	2,305.12	1,433.69
	(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	(3,667.76)	(4,090.53)
	(d) Employee Benefits Expense	26	21,447.37	17,171.94
	(e) Finance Costs	27	518.81	526.09
	(f) Depreciation and Amortisation Expense	28	5,306.09	4,473.61
	(g) Other Expenses	29	19,876.63	19,123.85
	Total Expenses (B)		108,382.13	94,511.49
4	Profit Before Tax (C=A-B)		18,705.04	15,934.29
5	Tax Expense			
	(a) Current Tax		4,534.27	4,070.40
	(b) Deferred Tax Expenses/(Credit)	17	39.05	(41.73)
	(c) Short/(Excess) Provision of tax relating to earlier years		(2.90)	(2.81)
	Total Tax Expense (D)		4,570.41	4,025.86
6	Profit for the year (E=C-D)		14,134.64	11,908.43
7	Other Comprehensive Income			
	Items that will not be reclassified to Statement of Profit or Loss			
	(a) Remeasurement (losses) on Defined Benefit Plan		(109.27)	(3.83)
	(b) Income Tax effect on the above	17	25.96	0.96
	Total Other Comprehensive Income for the year (Net of Tax) (F)		(83.31)	(2.87)
8	Total Comprehensive Income for the year (G=E+F)		14,051.33	11,905.56
9	Profit for the year attributable to:			
	Equity holders of the parent		13,979.06	11,957.52
	Non Controlling Interest		155.58	(49.09)
10	Other Comprehensive Income for the year			
	Equity holders of the parent		(83.31)	(2.87)
	Non Controlling Interest		-	-
11	Total Comprehensive Income for the year			
	Equity holders of the parent		13,895.75	11,954.66
	Non Controlling Interest		155.58	(49.09)
12	Earnings Per Equity Share of face value of ₹ 5/- each	30		
	Basic(In ₹)		13.26	11.35
	Diluted (In ₹)		13.26	11.35

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 21, 2026

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Alpesh Porwal
Chief Financial Officer

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Vishal Chanda
Company Secretary

Consolidated Statement of Changes in Equity

a. Equity share capital:

(₹ in lakhs)

Balance as at April 01, 2025	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
5,269.77	-	-	-	5,269.77

(₹ in lakhs)

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior year errors	Restated balance as at April 01, 2025	Changes in equity share capital during the year	Balance as at March 31, 2025
5,269.77	-	-	-	5,269.77

b. Other equity

(₹ in lakhs)

Particulars	Reserve & Surplus		Other Reserve	Total
	Retained Earning	Securities Premium	Other Comprehensive Income	
Balance as at April 1, 2024	51,025.07	34,036.42	(437.54)	84,623.94
Add : Profit for the period	11,957.52	-	-	11,957.52
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
Add : Profit for the period	13,979.06	-	-	13,979.06
Less : Dividend Paid	(1,580.93)	-	-	(1,580.93)
Less : Other Comprehensive Income	-	-	(83.31)	(83.31)
Balance as at March 31, 2026	75,380.72	34,036.42	(523.72)	108,893.42

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 21, 2026

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod

Chairman
(DIN. 00122867)

Alpesh Porwal

Chief Financial Officer

Vimalchand Rathod

Managing Director
(DIN. 00123007)

Vishal Chanda

Company Secretary



Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A	Cash Flows From Operating Activities		
	Profit before tax	18,705.04	15,934.29
	Adjustments for:		
	Depreciation and amortization Expenses	5,306.09	4,473.61
	Finance Costs	518.81	526.09
	Allowances for Expected Credit Loss on Trade Receivables	50.73	27.42
	Premium/(Discount) on Forward Contract	(2.27)	3.02
	Rent Income	(148.20)	(137.85)
	Foreign Exchange Flactuation	(166.30)	(33.12)
	Sundry Balance written off/back	(2.40)	(2.12)
	Government Grant Income	(5.67)	(6.19)
	Loss of Goods Destroyed by Cyclone/In Transit	-	17.97
	Gain on Termination of Lease contract	(5.31)	(52.72)
	Interest Income	(347.58)	(1,315.23)
	STT Charges	0.06	-
	Gain on Sale of Mutual Funds	(300.70)	(14.17)
	(Profit)/Loss on Sales of Property, Plant and Equipment	(205.04)	(3.38)
	Operating Profit before change in working capital	23,397.26	19,417.62
	Movements in working capital:		
	(Increase) in Inventories	(6,690.23)	(6,077.67)
	(Increase) in Trade Receivables	(1,328.81)	(4,398.05)
	(Increase)/Decrease in Loans	(48.34)	8.12
	Decrease in Financial and Other Assets	1,107.86	797.44
	Increase/(Decrease) in Trade Payables	1,261.46	(1,168.78)
	Increase in Provisions	542.10	493.52
	Increase/(Decrease) in Financial and Other Liabilities	(121.33)	285.55
	Cash Generated From /(Used In) Operations	18,119.98	9,357.73
	Income Taxes Paid (Net)	(4,401.94)	(3,812.53)
	Net Cash Generated From / (Used In) Operating Activities (A)	13,718.04	5,545.20
B	Cash Flows From Investing Activities		
	Purchase of Property, Plant and Equipment and Intangible Asset	(14,113.86)	(13,380.86)
	Sales of Property, Plant and Equipment	329.78	4.62
	Investment in units of Mutual Funds	(34,250.00)	(6,425.00)
	Redemption of Mutual Funds Investment	25,684.91	3,336.47
	Decrease In Bank Deposits And Other Bank Balances*	5,754.01	12,460.51
	Rent Income	148.20	137.85
	Interest received	347.58	1,315.23
	Net Cash Generated From / (Used In) Investing Activities (B)	(16,099.38)	(2,551.18)
C	Cash Flow From Financing Activities		
	Repayment of Borrowings	756.32	(1,345.09)
	Finance Costs Paid	(237.89)	(251.67)
	Dividend Paid	(1,580.93)	-
	Receipt of Equity investment from Non-Controlling Interest	-	4.90
	Repayment of Principal Portion of Lease Liabilities	(1,088.84)	(939.12)
	Net Cash Generated From / (Used In) Financing Activities (C)	(2,151.34)	(2,530.98)
D	Net Increase in Cash and Cash Equivalents (A+B+C)	(4,532.68)	463.04
	Cash and Cash Equivalents at the Beginning of the Year	5,662.33	5,199.29
	Cash And Cash Equivalents at the End of the Year	1,129.65	5,662.33
	Components of Cash and Cash Equivalents		
	Cash on Hand	9.45	11.86
	Balances with banks		
	- in Cash Credit Accounts	1,058.33	1,350.61
	- in Current Accounts	7.14	285.89
	- in EEFC Account	11.07	9.40
	- Bank Deposits (Maturity less than 3 months)	9.94	4,000.00

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Earmarked Deposit with bank - Unclaimed dividend	0.24	-
	LC Margin Money	33.48	4.57
	Total Cash and Cash Equivalents	1,129.65	5,662.33

*Other bank balances includes an amount of Nil as at March 31, 2026 (Previous Year March 31, 2025: ₹ 94.21 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 21, 2026

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Alpesh Porwal
Chief Financial Officer

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Vishal Chanda
Company Secretary



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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, 2026.

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-400093, Maharashtra, India. The Company has its 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, 2026	% Ownership held as at March 31, 2025
Flair Writing Equipments Private Limited (FWEPL)	India	100%	100%
Flomaxe Stationery Private Limited	India	51% by FWEPL	51% by FWEPL
Monterosa Stationery Private Limited	India	100%	100%
Flair Cyrosil Industries Private Limited	India	90%	90%

2. BASIS OF PREPARATION, MEASUREMENT AND 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 and disclosure requirements of Division II of Schedule III of Companies Act, 2013 (Ind AS compliant Schedule III) as amended from time to time. These Consolidated financial statements include Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the year ended March 31, 2026, 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 Consolidated financial statements for the year ended March 31, 2026 have been prepared on

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

accrual basis following historical cost convention, except for the following 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;
- Accounting policies and methods of computation followed in the Consolidated financial statements are same as compared with the annual financial statements for the year ended March 31, 2025.

The Group has prepared the Consolidated 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 Consolidated 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

The Consolidated 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 in the statement of profit and loss in the year in which the estimates are revised & in any future periods affected.

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 Consolidated 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 & future risks. 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.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

• 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 (including litigations) 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/rates available at the end of the reporting period on applicable 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.

• 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 its 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 estimated 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 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. In determining fair value less cost of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

• 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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 net of recoverable taxes, trade discount & rebate. 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 & the cost can be measured reliably.

iii. Capital Work-in-Progress:

Capital Work-in-Progress includes expenditure during construction period incurred on projects during the project development stage prior to its intended use, 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 Group 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



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences arising on the settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss in the year in which they arise.

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, to provide an indication about the reliability of inputs used in determining fair value, the Group has classified its financial statements into three levels prescribed under the Ind AS 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 Group 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

Incentives on exports and other Government incentives

Incentives on exports and other Government incentives related to operations are recognized in the Consolidated Statement of Profit and Loss where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Contract balances and Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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 the financial asset to that asset's net carrying amount on initial recognition.

2.8. Tax Expenses

Income tax expense comprises current tax expense and deferred tax expense & includes any adjustments related to part periods in current or deferred tax adjustments that may become necessary due to certain developments during the relevant period. 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 profit 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 measured 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 of raw materials is determined on a First In-First Out (FIFO) basis and includes all applicable costs, including inward freight, incurred in bringing goods to their present location and condition.

Cost of work-in-progress and finished goods includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

Cost of stock-in-trade, packing materials and stores and spares includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their present location and condition. Cost is determined on a weighted average basis.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Net realizable value represents the estimated selling price less all estimated costs of completion and estimated 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 contract 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 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 Consolidated 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 using the straight line method from the commencement date over the shorter period of lease term or useful life of the underlying asset. If a lease transfers ownership of the underlying

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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 of the amount of the obligation. 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 risks specific to the liability using a current pre tax rate, when appropriate. 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 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 Consolidated 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 is recognised in the Consolidated 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.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(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 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 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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.

(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 of 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 Consolidated 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 Company by the weighted average number of equity shares outstanding during the year.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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 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. 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 Going Concern

The directors have at the time of approving the financial statements a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Group has applied the going concern basis of accounting in preparing the financial statements.

2.20 Recent accounting pronouncements

Standards issued but not yet effective

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, 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Impact of the initial application of new and amended Ind ASs that are effective in the current year

The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

Ind AS 1, Presentation of Financial Statements, w.e.f April 1, 2025:

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Ind AS 107, Financial Instruments: Disclosures, w.e.f. April 1, 2025:

The amendment introduces enhanced disclosure requirements for supplier finance arrangements (such as supply-chain finance or reverse factoring). Group is required to disclose information that enables users of financial statements to assess the effects of such arrangements on the Group's liabilities, cash flows and exposure to liquidity risk. The disclosures include the nature and terms of the arrangements, the carrying amounts of related financial liabilities, the portion for which suppliers have already been paid by finance providers, and a comparison of payment terms under supplier finance arrangements with those of normal trade payables.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

Notes to Consolidated Statement of Cash Flows

for the year ended March 31, 2026

Note 1 : Property, Plant and Equipment

Particulars	Land – Freehold	Buildings	Plant and Machinery	Office Equipment	Factory Equipments	Computer Equipment	Furniture & Fixtures	Mould	Electrical Installation	Two Wheeler	Vehicles	Total
(₹ in lakhs)												
I. Gross Block												
Balance as on April 01, 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
Additions	27.77	590.68	6,999.26	53.51	160.63	59.01	151.66	2,010.65	252.31	2.36	78.19	10,386.02
Deductions/adjustments	-	-	32.63	-	-	-	-	1,121.13	-	-	29.98	1,183.73
Balance as on March 31, 2026	3,520.85	8,257.63	33,993.33	612.16	1,585.71	454.13	2,070.14	13,620.82	2,099.83	25.40	1,295.59	67,535.60
II. Depreciation												
Balance as on April 01, 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
Additions	-	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
Additions	-	252.12	2,077.04	91.75	197.88	58.45	180.44	1,215.54	166.96	2.04	145.50	4,387.71
Deductions/adjustments	-	-	7.40	-	-	-	-	1,024.47	-	-	27.12	1,058.99
Balance as on March 31, 2026	-	1,312.53	11,232.21	254.47	926.98	338.70	704.09	5,834.81	898.86	11.58	595.79	22,110.03
III. Net Block												
Balance as on March 31, 2026	3,520.85	6,945.10	22,761.12	357.69	658.73	115.43	1,366.06	7,786.00	1,200.97	13.82	699.80	45,425.57
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

Note: Movable Property, Plant and Equipment are hypothecated against cash credit facilities availed by the company amounting to ₹ 12,850 lakhs and term loan.

Note 1 : Capital Work In Progress

Particulars	As at March 31, 2026	As at March 31, 2025
(₹ in lakhs)		
Capital Work In Progress	6,000.04	2,297.68
Total	6,000.04	2,297.68



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Ageing for CWIP as at March 31, 2026 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	4,862.74	996.34	140.95	-	6,000.04
Project is temporarily suspended	-	-	-	-	-
TOTAL	4,862.74	996.34	140.95	-	6,000.04

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

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, 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
Additions	25.48	-	25.48
Deductions/adjustments	-	-	-
Balance as on March 31, 2026	529.01	8.86	537.87
II. Depreciation			
Balance as on April 01, 2024	322.04	5.16	327.19
Additions	44.35	0.63	44.98
Deductions/adjustments	-	-	-
Balance as on March 31, 2025	366.39	5.79	372.18
Additions	43.04	0.52	43.57
Deductions/adjustments	-	-	-
Balance as on March 31, 2026	409.43	6.31	415.74
III. Net Block			
Balance as on March 31, 2026	119.57	2.55	122.12
Balance as on March 31, 2025	137.14	3.07	140.21

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 1 : Rights-of-Use Assets

(₹ in lakhs)

Particulars	Leased Assets
I. Gross Block	
Balance as on April 01, 2024	4,310.40
Additions	1,637.19
Deductions/adjustments	276.48
Balance as on March 31, 2025	5,671.11
Additions	537.86
Deductions/adjustments	69.71
Balance as on March 31, 2026	6,139.26
II. Depreciation	
Balance as on April 01, 2024	1,897.82
Additions	784.22
Deductions/adjustments	-
Balance as on March 31, 2025	2,682.05
Additions	874.81
Deductions/adjustments	34.85
Balance as on March 31, 2026	3,522.00
III. Net Block	
Balance as on March 31, 2026	2,617.26
Balance as on March 31, 2025	2,989.07

Note 1 : Goodwill

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
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

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non- Current		
Unsecured, Considered good		
Loans and Advances to Employees [#]	22.28	1.53
Total	22.28	1.53
Current		
Unsecured, Considered good		
Loans and Advances to Employees [#]	62.85	35.26
Total	62.85	35.26

[#]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

for the year ended March 31, 2026

Note 3 :Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non- Current		
Security Deposits	515.68	450.45
Bank Deposits (Maturity more than 12 months)#	375.60	378.24
Interest Receivable	70.21	49.28
Other Deposits	-	321.66
Total	961.50	1,199.63
Current		
Security Deposits	59.87	379.65
Interest Receivable	0.33	196.64
Other Deposits	-	6.45
Total	60.20	582.74
#includes deposits having restrictive use on account of:		
Pledged with Government Authorities	374.60	376.24

Note 4 :Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Income Tax	9.21	9.21
Total	9.21	9.21

Note 5 : Other Assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non- Current		
Capital Advances	1,221.42	1,596.62
Balances with Government Authorities	43.72	43.72
Prepaid Expenses	95.42	29.18
Insurance claim Receivable	163.77	161.51
Total	1,524.32	1,831.03
Current		
Advances to Suppliers and Others	1,267.06	1,529.14
Balances with Government Authorities	2,119.59	2,041.09
Prepaid Expenses	466.44	224.86
Others Receivable	125.58	224.07
Total	3,978.68	4,019.16

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 6 :Inventories

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Inventories		
Raw and Packing Materials	13,769.11	10,713.43
Raw and Packing Materials (In Transit)	39.38	34.55
Semi-Finished Goods	11,538.34	9,872.75
Semi-Finished Goods (In Transit)	6.61	25.05
Finished Goods	9,042.77	7,379.10
Finished Goods (In Transit)	281.05	35.31
Stock of Spares	264.22	302.26
Finished Goods (Traded Goods)	454.50	343.30
Total	35,395.97	28,705.74

- The Inventories have been valued as per Note 2(9) of Material Accounting Policies.
- Inventories are hypothecated against cash credit facilities availed by the company totaling to ₹ 12850 lakhs.
- The cost of inventories recognised as an expense during the year was ₹ 61233.23 lakhs (March 31, 2025: ₹ 53216.00 lakhs).
- The Company has no write-down of inventory to net realisable value as at March 31, 2026 and March 31, 2025.

Note 7 :Investment

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Investment measured at Fair Value Through Profit and Loss (FVTPL)		
Quoted fully paid up		
Investment in Mutual Fund		
	-	-
10913549.173 Units of Aditya Birla Sun Life Arbitrage Fund - Growth (P.Y. : Nil)	3,000.00	-
20865422.867 Units of Nippon India Arbitrage Fund - Growth (P.Y. : Nil)	5,663.73	-
16540.793 Units of Nippon India Liquid Fund - Growth (P.Y. : 2284183.323 Units)	1,100.00	3,102.70
14812592.093 Units of Tata Arbitrage Fund Regular - Growth (P.Y. : Nil)	2,204.70	-
	11,968.44	3,102.70
Aggregate amount of Quoted Investments	11,968.44	3,102.70
Aggregate amount of Quoted Investments - Market Value	12,127.91	3,114.02
Aggregate amount of Quoted Investments measured at Amortised Cost	11,968.44	3,102.70

Note 8 :Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, Considered good		
Trade Receivables # (Refer Note 35 for related party balances)	27,490.57	26,032.87
Less: Allowance for expected credit loss	154.06	140.75
	27,336.50	25,892.12

*Trade Receivables are hypothecated against cash credit facilities availed by the company amounting to ₹ 12850 lakhs.

The average credit period on sales of goods is 60-90 days.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Movement in the expected credit loss allowance

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	140.75	116.80
Provision during the year	50.73	27.42
Bad debts written off (net)	37.41	3.47
Balance at end of the year	154.06	140.75

Ageing for trade receivables – non-current outstanding As at March 31, 2026 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	25,622.53	1,077.38	497.95	152.70	140.00	27,490.57
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	-	-	-	(14.06)	(140.00)	(154.06)
Total	25,622.53	1,077.38	497.95	138.64	-	27,336.50

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 9 : Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on Hand	9.45	11.86
Balances with Banks		
- In Cash Credit Accounts	1,058.33	1,350.61
- In Current Accounts	7.14	285.89
- In EEFC Accounts	11.07	9.40
- Bank Deposits (Maturity less than 3 months)	9.94	4,000.00
Earmarked Deposit with bank - Unclaimed dividend	0.24	-
LC Margin Money	33.48	4.57
Total	1,129.65	5,662.33

Note 10 : Other Bank Balances

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
- Deposits with original maturity of more than three months but less than twelve months	2.82	5,662.63
- Balance In Escrow Account (Public Issue)	-	94.21
	2.82	5,756.84
#includes deposits having restrictive use on account of:		
Pledged with Government Authorities	1.75	-

Note 11 : Equity Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
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

(₹ in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares :				
Balance as at the beginning of the year	105,395,378	5,269.77	105,395,378	5,269.77
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	105,395,378	5,269.77	105,395,378	5,269.77



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

b) Details of Equity Shares held by Shareholders Holding more than 5% of the aggregate Shares

(₹ in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	% of share Holding	Number of Shares	% of share Holding
Equity Shares				
Khubilal J. Rathod	16,592,235	15.74%	16,592,235	15.74%
Vimalchand J. Rathod	12,440,887	11.80%	12,440,887	11.80%
Rajesh K. Rathod	8,276,380	7.85%	8,276,380	7.85%
Mohit K. Rathod	8,276,380	7.85%	8,276,380	7.85%
Sumit V. Rathod	8,276,380	7.85%	8,276,380	7.85%
Nirmala K. Rathod	8,276,380	7.85%	8,276,380	7.85%
Manjula V. Rathod	8,276,380	7.85%	8,276,380	7.85%

c) Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of equity shares having face value of ₹ 5 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing 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, 2026			As at March 31, 2025		
	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	16,592,235	15.74%	0.00%	16,592,235	15.74%	0.00%
Vimalchand J. Rathod	12,440,887	11.80%	0.00%	12,440,887	11.80%	0.00%
Rajesh K. Rathod	8,276,380	7.85%	0.00%	8,276,380	7.85%	0.00%
Mohit K. Rathod	8,276,380	7.85%	0.00%	8,276,380	7.85%	0.00%
Sumit V. Rathod	8,276,380	7.85%	0.00%	8,276,380	7.85%	0.00%
	53,862,262	51.10%		53,862,262	51.10%	

e) Information regarding issue of shares in the last five years

The Company allotted 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, 2026	As at March 31, 2025
i) Retained Earnings		
Balance at the beginning of the year	62,982.59	51,025.07
Add: Profit for the year	13,979.06	11,957.52
Less: Dividend paid during the year	(1,580.93)	-
Balance at the end of the year (a)	75,380.72	62,982.59
ii) Securities Premium		
Balance at the beginning of the year	34,036.42	34,036.42
Add: Issue of Equity share	-	-
Less: Utilized issue expenses	-	-
Balance at the end of the year (b)	34,036.42	34,036.42
iii) Other Comprehensive Income		

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	(440.41)	(437.54)
Remeasurement (losses) on Defined Benefit Plan	(83.31)	(2.87)
Balance at the end of the year (c)	(523.72)	(440.41)
Balance at the end of the year (a+b+c)	108,893.42	96,578.60

Note 13 : Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non - Current		
Secured - at Amortised cost		
Term Loan - from Bank	898.39	263.20
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 35)	1,940.31	1,799.81
Loan from Related Parties (Refer Note 35)	27.53	57.73
Total	2,866.22	2,120.75
Current		
Secured - at Amortised cost		
Working Capital Loan- Cash Credit	574.89	698.32
Current maturities of Long term borrowings	244.42	145.19
Unsecured - at Amortised cost		
Loan from Directors & their relatives (Refer Note 35)	35.62	0.58
Total	854.94	844.09

(₹ in lakhs)

Nature of Borrowing	Name of the lender	Nature of Borrowing	Loan Currency	Amount outstanding as on March 31, 2026	Rate of Interest	Repayment terms
Car Loan	Axis Bank	Car Loan	INR	4.87	7.71%	60 Months
Car Loan	Axis Bank	Car Loan	INR	2.43	8.45%	37 Months
Car Loan	Axis Bank	Car Loan	INR	2.19	8.45%	37 Months
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
Term Loan - from Bank	Citi Bank N.A.	Term Loan	INR	807.00	7.84%	End to End tenor of 5 Years with 9 months moratorium Repayment will be quarterly basis
Cash Credit - from Bank	Citi Bank N.A.	Cash Credit	INR	141.27	8.40%	Revolving 365 days
Cash Credit - from Bank	Citi Bank N.A.	Cash Credit	INR	241.54	8.40%	Revolving 365 days
Cash Credit - from Bank	Citi Bank N.A.	Cash Credit	INR	193.01	8.40%	Revolving 365 days
Cash Credit - from Bank	Axis Bank Ltd	Cash Credit	INR	(0.93)	7.25%	Revolving 365 days

Note:

- a) Refer Note 33 for information on Company's exposure to Interest rate, Foreign Currency and Liquidity risks.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

- 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 7.25% p.a to 8.90% p.a. The same is repayable upto Financial Year ending March 31, 2030.
- e) The Company has not defaulted on financial covenants, repayment of loans and interest during the year and previous years.
- f) The Company is filing 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 reconciliation 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, 2026	55,284.57	55,512.62	(228.05)	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, 2025	55,680.97	55,573.52	107.45	
September 30, 2025	53,297.67	53,300.43	(2.76)	
June 30, 2025	51,576.33	51,575.14	1.19	
March 31, 2025	48,921.78	49,105.26	(183.48)	
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	

Note 14 : Lease Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Lease Liabilities	2,000.91	2,452.90
Total	2,000.91	2,452.90
Current		
Lease Liabilities	906.91	765.14
Total	906.91	765.14

Note 15 : Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Retention money	5.77	7.34
Total	5.77	7.34
Current		
Retention money	6.72	100.96
Creditors for capital expenditure (including MSME Creditors)	731.79	678.86
Security Deposit Received	18.50	8.50
Derivatives Financial Liabilities	-	2.27
Unclaimed dividend	0.24	-
Other Payables	2,427.15	2,487.68
Unspent CSR	117.50	-
Issue Expenses Payables	37.88	61.45
Total	3,339.79	3,339.72

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 16 : Provisions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Provision for Employee Benefits (Refer Note 31)	1,458.08	1,101.03
Total	1,458.08	1,101.03
Current		
Provision for Employee Benefits (Refer Note 31)	1,566.67	1,272.35
Total	1,566.67	1,272.35

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, 2026	As at March 31, 2025
Deferred Tax Liabilities	759.34	746.25
Total	759.34	746.25

Movement in deferred tax balances for the year ended March 31, 2026

Particulars	As at April 1, 2025	Deferred tax from subsidiary company	Recognised in profit or loss	Recognised in OCI	As at March 31, 2026
Deferred Tax Liabilities					
Property, Plant and Equipment and other Intangibles Assets	1,766.28	-	355.71	-	2,121.99
(A)	1,766.28	-	355.71	-	2,121.99
Deferred Tax Assets					
Provision for Gratuity	425.18	-	116.01	25.96	567.16
Provisions for Employee benefit obligation	153.06	-	14.52	-	167.59
Others	115.92	-	58.26	-	174.18
B/F Losses and Unabsorbed Depreciation	325.86	-	127.86	-	453.72
(B)	1,020.03	-	316.66	25.96	1,362.65
Net Deferred tax Liabilities C = (A-B)	746.25	-	39.05	(25.96)	759.34

Movement in deferred tax balances for the year ended March 31, 2025

Particulars	As at April 1, 2024	Deferred tax from subsidiary company	Recognised in profit or loss	Recognised in OCI	As at March 31, 2025
Deferred 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
Deferred 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 Liabilities C = (A-B)	788.94	-	(41.73)	(0.96)	746.25



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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.

Note 18 : Other Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non - Current		
Government Grants [#]	8.68	13.82
Total	8.68	13.82
Current		
Statutory Remittances	736.47	956.26
Revenue received in advance		
- Others	764.21	666.52
Government Grants [#]	5.34	5.86
Total	1,506.02	1,628.64

[#]Government Grants includes Subsidy Received on Capital Goods.

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
The movement of government grant is as below:		
Balance as at the beginning of the year	19.68	25.87
Add: Received during the year	-	-
Less: Government Grant recognised as income	5.67	6.19
Balance as at the end of the year	14.02	19.68

Note 19 : Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Outstanding Dues of Micro and Small Enterprises (Refer Note 35 for related party balances)	2,227.65	2,381.96
Total Outstanding Dues of Creditors other than Micro and Small Enterprises (Refer Note 35 for related party balances)	4,424.62	3,011.26
Total	6,652.28	5,393.22

Ageing for trade payables outstanding As at March 31, 2026 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 and Small Enterprises	2,227.65	-	-	-	2,227.65
- Others	4,412.69	0.47	11.45	0.00	4,424.62
Disputed dues- Micro and Small Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	6,640.35	0.47	11.45	0.00	6,652.28

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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 and Small Enterprises	2,381.96	-	-	-	2,381.96
- Others	2,994.59	15.28	0.22	1.17	3,011.26
Disputed dues- Micro and Small Enterprises	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	5,376.55	15.28	0.22	1.17	5,393.22

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 and Small Enterprises Development Act, 2006:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	2,216.22	2,379.77
- Interest	11.44	2.19
The amount of interest paid by the buyer in terms of section 16 of the Micro and Small 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.	11.44	2.19
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, 2026	As at March 31, 2025
Tax Expenses (Net of Advance Tax)	473.19	343.77
Total	473.19	343.77



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 21 : Revenue From Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Sale of Products		
Domestic	103,821.03	89,472.85
Export	19,803.59	17,429.12
b) Sale of Services	132.96	7.33
c) Other Operating Revenue		
Sale of Scrap	450.25	340.20
Export Incentives	802.79	736.53
Total	125,010.63	107,986.03

Disclosure under Ind AS 115 "Revenue from Contracts with Customers

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Disaggregation of revenue from contracts with customers		
Revenue from Operations		
Sale of Products		
Domestic	103,821.03	89,472.85
Export	19,803.59	17,429.12
Sale of Services	132.96	7.33
Other operating revenue	1,253.04	1,076.73
Total	125,010.63	107,986.03
b) Significant changes in the contract liabilities balances during the year		
Opening Balance	666.52	400.66
Add : Net additions during the year	665.93	652.09
Less : Revenue recognised during the year	568.24	386.23
Closing Balance	764.21	666.52
c) Contract liability (advance from customers)		
Advances from Customers	764.21	666.52
Total	764.21	666.52
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	126,764.25	108,863.09
Less : Discount, rebates, credits etc.	3,006.66	1,953.79
Add : Other operating revenue	1,253.04	1,076.73
Revenue from contracts with customers as per Statement of Profit and Loss	125,010.63	107,986.03

Note 22 : Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest		
- Bank	316.15	1,287.61
- Others	35.56	137.82
Other Non-Operating Revenue		
Government Grant Income	5.67	6.19
Gain On Foreign Currency Transactions (Net)	1,198.17	721.78
Labour Incentive	-	218.91
Premium/(Discount) on Forward Contract	0.80	-
Development Income	7.13	1.98

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tooling Amortisation Income	-	-
Rent	3.60	1.50
Other Non-Operating Income	509.47	83.95
Total	2,076.54	2,459.74

Note 23 : Cost of Materials Consumed

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year	10,747.98	8,777.68
Add. Purchase	65,657.13	57,843.14
Less. Inventories at the end of the year	13,808.49	10,747.98
Total (A)	62,596.62	55,872.84
Goods Destroyed In Transit	-	-
Finished Goods (B)	0.75	-
Total (A-B)	62,595.87	55,872.84

Note 24 : Purchase of Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases of Stock-in-Trade	2,305.12	1,433.69
Total	2,305.12	1,433.69

Note 25 : Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year		
Semi- Finished Goods	9,897.79	7,743.85
Finished Goods	7,757.71	5,821.12
Total (A)	17,655.50	13,564.97
Inventories at the end of the year		
Semi- Finished Goods	11,544.95	9,897.79
Finished Goods	9,778.31	7,757.71
Total (B)	21,323.26	17,655.50
Total (A-B)	(3,667.76)	(4,090.53)

Note 26 : Employee Benefits Expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Wages and Bonus	19,293.32	15,528.67
Contribution to Provident Fund and others (Refer Note 31)	1,391.72	1,105.06
Gratuity (Refer Note 31)	601.74	405.35
Staff Welfare Expenses	160.59	132.86
Total	21,447.37	17,171.94



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 27 : Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Bank Interest	73.45	107.74
Interest on Right of Use Assets	280.92	274.42
Interest on Delay payment to MSME	11.44	2.34
Interest on Direct Tax / Indirect Tax	15.94	18.24
Borrowing Cost	137.06	123.36
Total	518.81	526.09

Note 28 : Depreciation and Amortisation Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation and Amortisation Expenses	5,306.09	4,473.61
Total	5,306.09	4,473.61

Note 29 : Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Manufacturing Expenses		
Consumption of Stores and Spares	444.13	404.29
Electric Power, Fuel and Water	3,025.93	2,608.73
Factory Rent	3.90	11.20
Freight Inward	236.08	180.51
Job Work and Other Related Expenditure	4,887.38	5,570.73
Loading and Unloading Expenses	73.54	65.92
Machine and Mould Maintenance	1,037.10	1,079.10
Factory Expenses	477.49	390.44
Establishment Expenses		
Charity and Donation	314.66	285.60
Electricity Charges	40.57	37.19
Insurance Expenses	174.08	125.70
Legal & Professional Fees	1,057.01	890.40
Office Rent	1.74	1.99
Postage & Courier	107.43	99.22
Printing and Stationery	56.53	58.21
Miscellaneous Expenses	123.57	113.66
Bank Charges	30.85	20.43
Loss of Goods Destroyed by Cyclone/In Transit	-	17.97
Repairs & Maintenance		
Computer	97.72	113.12
Vehicles	117.74	94.70
Others	271.68	172.10
Telephone & Communication Charges	78.64	63.88
Travelling & Conveyance	1,706.66	1,585.75
Director's Travelling & Conveyance	190.43	222.67
Director's Sitting Fees	10.50	11.10
Payments to Auditor (Refer Note 29.1)	75.40	64.00

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Selling and Distribution Expenses		
Advertisement Expenses	1,145.65	1,439.93
Allowance for expected credit loss on trade receivables	50.73	27.42
Sales Promotion & Marketing Expenses	397.95	311.06
Commission & Brokerage	402.60	321.96
Freight Outward	3,202.79	2,696.04
Export Expenses	36.16	38.81
Total	19,876.63	19,123.85

Note 29.1 Payments to Auditor

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As Auditors:		
Statutory Audit Fees	52.40	42.60
Taxation Matters	23.00	21.40
Total	75.40	64.00

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, 2026	For the year ended March 31, 2025
(a) Profit for the year (₹ in lakhs)	13,979.06	11,957.52
(b) Weighted Average number of Ordinary Shares outstanding for the purpose of Basic Earning per share (numbers)	105,395,378	105,395,378
(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)	105,395,378	105,395,378
(e) Earning per share on profit for the year (Face Value ₹ 5 Per Share)		
- Basic (a/b) (in ₹)	13.26	11.35
- Diluted (a/d) (in ₹)	13.26	11.35

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

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's Contribution to Provident Fund	464.77	380.68
Employer's Contribution to Employee State Insurance Scheme	254.70	132.06
Employer's Contribution to Pension Scheme	672.26	592.32
Total	1,391.72	1,105.06



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(B) Defined benefit plan

Gratuity

The Group has an obligation towards gratuity, an unfunded defined benefit retirement plan covering all/eligible employees. The plan provides for a lump-sum payment to vested employees at retirement or at death while in employment or on termination of employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation done as per Project Unit Credit Method.

The Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk the Group is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of Chapter V (Gratuity) of the Code of Social Security 2020 (as amended from time to time). There is a risk of change in the regulations requiring higher gratuity payouts.

(C) Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit obligation.

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit obligation at beginning of the year	1,708.04	1,385.33
Current Service Cost	317.48	261.79
Interest Cost	117.66	98.98
Remeasurement during the period due to :		
Actuarial loss / (gain)	109.27	3.83
Past Service Cost	166.60	44.58
Benefits paid	(130.93)	(86.46)
Defined Benefit obligation at end of the year	2,288.12	1,708.04
Net liability is bifurcated as follows :		
Current	830.03	607.02
Non-current	1,458.08	1,101.03
Net liability	2,288.12	1,708.04

II) Reconciliation of opening and closing balances of Fair Value of Plan Assets

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
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	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

III) Reconciliation of Fair Value of Assets and Obligations

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair Value of Plan Assets	-	-
Present Value of Obligation	2,288.12	1,708.04
Amount Recognised in Balance Sheet Surplus/(Deficit)	(2,288.12)	(1,708.04)

IV) Expenses recognised during the year

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
In Income Statement		
Current Service Cost	317.48	261.79
Interest Cost	117.66	98.98
Past Service Cost	166.60	44.58
Return on Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Net Cost	601.74	405.35
In Other Comprehensive Income		
Actuarial (Gain)/Loss	109.27	3.83
Return on Plan Assets	-	-
Net(Income)/Expenses for the year recognised in Other Comprehensive Income	109.27	3.83

V) Investments details

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Government securities	-	-
Public Securities	-	-
Others	-	-

VI) Actuarial Assumptions

(₹ in lakhs)

Mortality Table (Indian Assured Lives Mortality)	For the year ended March 31, 2026	For the year ended March 31, 2025
	(Ultimate)	(Ultimate)
Discount rate (p.a.)	6.85%	6.50%
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%



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Sensitivity Analysis

(₹ in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Assumptions - Discount rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	(2,238.14)	(1,672.03)
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	2,341.01	1,746.12
Assumptions - Salary Escalation rate		
Sensitivity Level		
Impact of Increase in (-/+ 0.5%) on defined benefit obligation	2,339.31	1,745.77
Impact of Decrease in (-/+ 0.5%) on defined benefit obligation	(2,239.31)	(1,671.86)

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, 2026	For the year ended March 31, 2025
Within the next 12 months (next annual reporting period)	830.03	607.02
Between 2 and 5 years	1,077.77	859.07
Beyond 5 years	1,510.52	988.47
Total expected payments	3,418.32	2,454.56
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, 2026

(₹ 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	-	-	27,336.50	27,336.50	-	-	27,336.50	27,336.50
Investment	-	-	11,968.44	11,968.44	-	-	11,968.44	11,968.44
Cash and Cash Equivalents	-	-	1,129.65	1,129.65	-	-	1,129.65	1,129.65
Other Bank Balance	-	-	2.82	2.82	-	-	2.82	2.82
Loans	-	-	85.13	85.13	-	-	85.13	85.13
Other Financial Assets	-	-	1,021.70	1,021.70	-	-	1,021.70	1,021.70
Total Financial Assets	-	-	41,544.24	41,544.24	-	-	41,544.24	41,544.24
Financial Liabilities								
Non-Current Borrowings	-	-	2,866.22	2,866.22	-	-	2,866.22	2,866.22
Current Borrowings	-	-	854.94	854.94	-	-	854.94	854.94
Lease Liabilities	-	-	2,907.81	2,907.81	-	-	2,907.81	2,907.81
Trade payables	-	-	6,652.28	6,652.28	-	-	6,652.28	6,652.28

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Particulars	Carrying amount				Fair Value Measurement Hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Other Financial Liabilities	-	-	3,345.56	3,345.56	-	-	3,345.56	3,345.56
Total Financial Liabilities	-	-	16,626.81	16,626.81	-	-	16,626.81	16,626.81

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

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:

- The fair value of investment in Mutual Fund is measured at cost quoted price or NAV.
- 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.
- The fair value is determined by using the valuation model/technique with observable inputs and assumptions.
- The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates and yield curves at the balance sheet date.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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.

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, 2026	As at March 31, 2025
Less than 6 months	25,622.53	24,132.36
6 months to 12 months	1,077.38	1,055.24
beyond 12 months	636.59	704.53
Total	27,336.50	25,892.12

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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, 2026	As at March 31, 2025
Unutilised credit limit from bank (₹ in lakhs)	12,536.91	12,060.30
Current Ratio	5.22	5.43
Liquid Ratio	2.87	3.30

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, 2026

(₹ in lakhs)

Particulars	As at March 31, 2026					TOTAL
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	
Financial liabilities						
Borrowings	692.64	162.30	539.72	2,326.51	-	3,721.16
Lease Liabilities	442.39	464.51	1,365.52	260.68	374.71	2,907.81
Trade payables	6,652.28	-	-	-	-	6,652.28
Other financial liabilities	3,339.79	-	5.77	-	-	3,345.56
	11,127.10	626.81	1,911.01	2,587.19	374.71	16,626.81
Derivative Liabilities	-	-	-	-	-	-
TOTAL	11,127.10	626.81	1,911.01	2,587.19	374.71	16,626.81

As at March 31, 2025

(₹ in lakhs)

Particulars	As at March 31, 2025					TOTAL
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	
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

for the year ended March 31, 2026

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, 2026	As at March 31, 2025
Interest Expense		
Loan from Banks	73.45	107.74
Unsecured loan from Directors & their relatives	134.42	121.73
Others	280.92	274.42
Total	488.79	503.89

Impact on Interest Expenses for the year on 1% change in Interest Rate

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
1% Change in increase in Interest Rate	4.89	5.04
1% Change in decrease in Interest Rate	(4.89)	(5.04)

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, 2026				As at March 31, 2025			
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY
Financial assets								
Trade receivables	4,415.33	32.80	-	-	5,793.64	5.79	-	-
Other assets	1,194.77	32.81	558.83	84.50	1,211.92	-	637.22	53.68
Financial liabilities								
Trade payables	858.53	28.89	-	170.27	221.21	21.45	-	62.69
Other liabilities	884.13	0.81	-	-	621.88	-	-	-
Net Exposure	3,867.44	35.92	558.83	(85.78)	6,162.46	(15.66)	637.22	(9.01)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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, 2026				As at March 31, 2025			
	USD	EURO	CHF	JPY	USD	EURO	CHF	JPY
1% Depreciation in INR								
Impact on Profit & Loss	38.67	0.36	5.59	(0.86)	61.62	(0.16)	6.37	(0.09)
TOTAL	38.67	0.36	5.59	(0.86)	61.62	(0.16)	6.37	(0.09)
1% Appreciation in INR								
Impact on Profit & Loss	(38.67)	(0.36)	(5.59)	0.86	(61.62)	0.16	(6.37)	0.09
TOTAL	(38.67)	(0.36)	(5.59)	0.86	(61.62)	0.16	(6.37)	0.09

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, 2026	As at March 31, 2025
Current Income tax	4,534.27	4,070.40
Deferred tax	39.05	(41.73)
Short/(Excess) Provision of tax relating to earlier years	(2.90)	(2.81)
Total Income Tax expenses	4,570.41	4,025.86

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Remeasurement (losses) on Defined Benefit Plan	(109.27)	(3.83)
Tax (expense)/ benefit	25.96	0.96
Net of tax	(83.31)	(2.87)



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(c) Reconciliation of effective income tax rate

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before tax	18,705.04	15,934.29
Company's domestic tax rate	25.17%	25.17%
Income tax using the Company's tax rate	4,707.69	4,010.34
Tax effect of:		
Permanent disallowances	90.47	71.78
Timing Difference	(154.64)	(47.83)
Deferred tax	39.05	(41.73)
Short/(Excess) Provision of tax relating to earlier years	(2.90)	(2.81)
Others	(109.25)	36.10
Income tax as per Profit & Loss Account	4,570.41	4,025.86
Effective Tax Rate	24.43%	25.27%

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
	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) Relatives of Key Managerial Personnel (KMP) in Step-down Subsidiary Company	Vanita Dobariya
(v) 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
	Rathod N Rathod
	Omax Industries
	Hauser Lifestyle Products
	Flair Writing Aids

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(b) Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Sale of Goods			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	39.94	58.78
	Omax Industries		-	5.88
2	Purchase of Goods			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	490.60	478.57
	Hauser Lifestyle Products		32.34	-
	Omax Industries		347.01	379.79
3	Purchase of Fixed Assets			
	Omax Industries	Enterprises over which Key Managerial Personnel are able to exercise significant influence	107.48	876.20
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel (KMP) in Step-down Subsidiary Company	-	65.53
	Manojkumar Lavjibhai Dobariya		-	151.80
	Nitin Jamanbhai Madhani		-	68.27
	Vanita Dobariya	Relatives of Key Managerial Personnel (KMP) in Step-down Subsidiary Company	-	34.37
4	Power Charges			
	Flair Writing Aids	Enterprises over which Key Managerial Personnel are able to exercise significant influence	13.23	3.35
	Flair Pen & Plastic Industries		10.59	-
5	Rent Expense			
	Khubilal J. Rathod	Key Managerial Personnel	-	3.90
	Vimalchand J. Rathod	Key Managerial Personnel	10.79	14.18
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	217.00	203.25
	Flair Pen & Plastic Industries		637.11	525.59
	Rathod N Rathod		1.80	1.80
	Flair Writing Aids		19.50	18.00
	Nirmala Rathod	Relative of KMP	59.24	51.90
	Manjula Rathod	Relative of KMP	59.24	51.90
6	Rent Income			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	1.20	0.50
	Flair Pens Ltd.		1.20	0.50
	Flair Pen & Plastic Industries		1.20	0.50
7	Re-imburement of Expenses (Paid)			
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	-	10.11
	Jayesh Jain	Relative of KMP	-	0.76
8	Re-imburement of Expenses (Received)			
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.00	0.94
	Flair Pen & Plastic Industries		0.00	-



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2026	For the year ended March 31, 2025
9	Interest Expenses			
	Khubilal J. Rathod	Key Managerial Personnel	17.48	9.78
	Vimalchand J. Rathod	Key Managerial Personnel	26.38	13.24
	Rajesh Rathod	Key Managerial Personnel	6.86	11.23
	Mohit Rathod	Key Managerial Personnel	4.71	21.28
	Sumit Rathod	Key Managerial Personnel	9.01	5.64
	Nirmala Rathod	Relative of KMP	1.37	2.97
	Manjula Rathod	Relative of KMP	4.36	5.16
	Sangita Rathod	Relative of KMP	3.68	14.88
	Shalini Rathod	Relative of KMP	3.03	11.91
	Sonal Rathod	Relative of KMP	14.19	20.12
	Sunita Jain	Relative of KMP	1.64	2.68
	Kiemaya Rathod	Relative of KMP	2.15	2.41
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel (KMP) in	10.57	0.10
	Manojkumar Lavjibhai Dobariya	Step-down Subsidiary Company	18.19	0.22
	Nitin Jamanbhai Madhani		10.82	0.10
10	Director/Managerial Remuneration			
	Khubilal J. Rathod	Key Managerial Personnel	84.00	72.60
	Vimalchand J. Rathod	Key Managerial Personnel	84.00	72.60
	Rajesh Rathod	Key Managerial Personnel	102.00	74.09
	Mohit Rathod	Key Managerial Personnel	84.00	72.84
	Sumit Rathod	Key Managerial Personnel	84.00	72.84
	Mayur Gala	Key Managerial Personnel	-	22.84
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel (KMP) in	18.00	1.25
	Manojkumar Lavjibhai Dobariya	Step-down Subsidiary Company	18.00	1.25
	Nitin Jamanbhai Madhani		18.00	1.25
	Vishal Chanda	Key Managerial Personnel	16.32	14.60
	Alpesh Porwal	Key Managerial Personnel	120.00	53.23
11	Director/Managerial Commission			
	Jayesh Jain	Relative of KMP	187.18	166.53
12	Sitting Fees			
	Punit Saxena	Key Managerial Personnel	2.50	3.50
	Manoj Lalwani	Key Managerial Personnel	1.30	1.80
	Sheetal B. Shetty	Key Managerial Personnel	1.00	1.30
	Rajneesh Bhandari	Key Managerial Personnel	3.30	2.40
	Deven Bipin Shah	Key Managerial Personnel	1.80	2.10
13	Loan Taken			
	Khubilal J. Rathod	Key Managerial Personnel	3,127.45	1,955.80
	Vimalchand J. Rathod	Key Managerial Personnel	2,138.06	1,593.07
	Rajesh Rathod	Key Managerial Personnel	530.25	1,374.15
	Mohit Rathod	Key Managerial Personnel	759.20	806.10
	Sumit Rathod	Key Managerial Personnel	265.11	635.15
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel (KMP) in	56.97	64.88
	Manojkumar Lavjibhai Dobariya	Step-down Subsidiary Company	56.97	150.28
	Nitin Jamanbhai Madhani		56.97	67.58
14	Loan Repaid			
	Khubilal J. Rathod	Key Managerial Personnel	2,892.76	1,804.76
	Vimalchand J. Rathod	Key Managerial Personnel	2,110.86	1,393.39
	Rajesh Rathod	Key Managerial Personnel	532.08	1,477.65
	Mohit Rathod	Key Managerial Personnel	890.17	1,973.95
	Sumit Rathod	Key Managerial Personnel	399.49	456.59
	Nirmala Rathod	Relative of KMP	1.50	80.54
	Manjula Rathod	Relative of KMP	1.50	10.65

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2026	For the year ended March 31, 2025
	Sangita Rathod	Relative of KMP	3.50	203.35
	Shalini Rathod	Relative of KMP	2.00	256.13
	Sonal Rathod	Relative of KMP	17.00	49.25
	Sunita Jain	Relative of KMP	30.40	-

(c) Outstanding balances as at the year end

(₹ in lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Trade Payables			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	59.15	59.31
	Omax Industries		22.56	692.37
2	Trade Recievables			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	5.04	6.12
3	Loan Outstanding (Liability)			
	Khubilal J. Rathod	Key Managerial Personnel	536.77	302.08
	Vimalchand J. Rathod	Key Managerial Personnel	401.86	374.66
	Mohit Rathod	Key Managerial Personnel	26.50	157.47
	Rajesh Rathod	Key Managerial Personnel	125.00	126.83
	Sumit Rathod	Key Managerial Personnel	57.00	191.38
	Nirmala Rathod	Relative of KMP	17.69	19.19
	Manjula Rathod	Relative of KMP	55.72	57.22
	Sangita Rathod	Relative of KMP	45.77	49.27
	Shalini Rathod	Relative of KMP	38.75	40.75
	Sonal Rathod	Relative of KMP	181.21	198.21
	Sunita Jain	Relative of KMP	-	30.40
	Kiemaya Rathod	Relative of KMP	27.53	27.53
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel (KMP) in Step-down Subsidiary Company	131.45	64.97
	Manojkumar Lavjibhai Dobariya		223.82	150.49
	Nitin Jamanbhai Madhani		134.38	67.68
4	Rent Payable			
	Flair Pens Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	-	135.50
5	Rent Receivable			
	Pentel Stationery (India) Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.94	0.59
6	Director/Managerial Commission (Outsanding)			
	Jayesh Jain	Relative of KMP	16.39	10.36
7	Other Receivables			
	Vanita Dobariya	Relatives of Key Managerial Personnel (KMP) in Step-down Subsidiary Company	-	0.34
8	Other Payable			
	Jayesh Jain	Relative of KMP	0.82	0.23
	Dipakbhai Himmatbhai Kaswala	Key Managerial Personnel (KMP) in Step-down Subsidiary Company	-	1.26
	Manojkumar Lavjibhai Dobariya		19.94	-



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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, 2026	As at March 31, 2025
Gross Debt including lease liability		
Long Term Debt	2,866.22	2,120.75
Short Term Debt	854.94	844.09
Lease liability	2,907.81	3,218.04
Less: Cash and Cash Equivalents	1,129.65	5,662.33
Net Debt (A)	5,499.33	520.56
Total Equity (B)	114,254.65	101,784.26
Net Gearing Ratio (A/B)	0.05	0.01

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.

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, 2026	104,404.24	20,606.38	125,010.63
For the year ended March 31, 2025	89,820.38	18,165.65	107,986.03
Non-Current Assets*			
As at March 31, 2026	55,725.34	-	55,725.34
As at March 31, 2025	46,846.00	-	46,846.00

*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, 2026 and March 31, 2025.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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, 2026	For the year ended March 31, 2025
a) Amount required to be spent as per Section 135 of Companies Act, 2013	325.39	264.96
b) Amount Spent during the year		
i) Construction/Acquisition of assets	-	-
ii) On purpose other than above	191.83	282.64
c) Short/Excess amount spent under section 135 (5)	(17.57)	-
i) Amount required to be spent during the year	325.39	264.96
ii) Actual amount spent/incurred during the year	191.83	282.64
Short/(Excess) amount spent	115.98	(17.68)
d) Nature of CSR activities	Education and Social welfare	
e) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

*Unspent CSR amount for the year ended March 31, 2026 ₹117.50 lakhs earmarked for CSR ongoing project related to educational purpose transferred to Unspent CSR account with in due date of April 30, 2026. and has been charged off to profit and loss for the year ended March 31, 2026.

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, 2026	For the year ended March 31, 2025
a) Reduction in Lease Rental	(1,088.84)	(939.12)
b) Increase in Depreciation	874.81	784.22
c) Increase in Interest	280.92	274.42
Net Impact on Profit before Tax	66.89	119.52

Note 40 : Contingent Liabilities and Commitments

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Contingent Liability		
a) Disputed GST, Excise and Service Tax Matters	1,167.57	1,102.59
b) Income Tax Matters	427.36	545.28
c) Letter of Credit	120.07	81.72
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:	1,878.42	1,758.13

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.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 41: Ratio Analysis

Ratio	Numerator	Denominator	2025-26	2024-25	Variance (in %)	Explanation for change in the ratio by more than 25%
			Ratio	Ratio		
Current Ratio (in times)	Current Assets	Current Liabilities	5.22	5.43	-3.87%	
Debt-Equity Ratio (in times)	Total Debt	Total equity	0.06	0.06	0.00%	
Debt service coverage ratio (in times)	Earning for Debt Service	Debt service	2.63	1.96	34.18%	Increased due to increase in profit and reduce in other income
Return on equity ratio (in %)	Profit attributable to equity shareholder's	Shareholder's Equity	12.24%	11.74%	4.26%	
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.70	4.56	3.07%	
Trade Payable turnover ratio (in times)	Purchase	Average trade payables	11.28	9.91	13.82%	
Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	2.69	2.93	-8.19%	
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	2.00	1.83	9.29%	
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.18%	11.07%	0.99%	
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed	15.82%	15.13%	4.56%	
Return on investment (in %)	Gain on Sale of Mutual Funds	Cost of Investment	1.20%	0.43%	179.07%	Increase in profit during the year and changes in the investment base/ funds deployed.

Note 42 : Additional regulatory information required by Schedule III of Companies Act, 2013

- 1) The Group does not have any benami property, where any proceeding have been initiated or are pending against the Company for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 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.

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 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 Group has complied with the number of layers prescribed under the Companies Act, 2013.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

- 4) There is no income surrendered or disclosed as income during each reporting period 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 each reporting period.
- 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 has not been declared as willful 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 charge or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.
- 10) The title deeds of all the immovable properties (other than properties where the respective 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 respective Company.
- 11) The borrowings obtained by the Group 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 ₹ 27,303.72 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, 2026	Unutilised amount March 31, 2026
Setting up new Valsad unit	5,599.30	5,599.30	-
Funding capital expenditure of the Company and it's Subsidiary, Flair Writing Equipments Private Limited	8,674.80	8,674.80	-
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	27,303.72	-



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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 in Group	As at March 31, 2026							
	Net Assets i.e. Total Assets Minus Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in 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	96.59%	110,268.88	84.35%	11,791.72	80.88%	(67.38)	84.37%	11,724.34
b) Indian Subsidiary								
Flair Writing Equipments Private Limited (Consolidated)	4.54%	5,178.87	18.26%	2,552.73	19.12%	(15.93)	18.26%	2,536.80
Flair Cyrosil Industries Private Limited	-0.81%	(927.38)	-2.03%	(284.06)	-	-	-2.04%	(284.06)
Monterosa Stationery Private Limited	-0.05%	(60.52)	-0.46%	(64.45)	-	-	-0.46%	(64.45)
c) Adjustments arising out of consolidation	-0.26%	(296.66)	-0.12%	(16.87)	-	-	-0.12%	(16.87)
Total (a+b+c)	100.00%	114,163.19	100.00%	13,979.06	100.00%	(83.31)	100.00%	13,895.75
d) Non-Controlling Interest		91.47		155.58		-		155.58

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(₹ in lakhs)

Name of the Entity in Group	As at March 31, 2025							
	Net Assets i.e. Total Assets Minus Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in 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%	100,125.47	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%	101,848.37	100.00%	11,957.52	100.00%	(2.87)	100.00%	11,954.66
d) Non-Controlling Interest		(64.11)		(49.09)		-		(49.09)

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 (Consolidated)		Flair Cyrosil Industries Private Limited		Monterosa Stationery Private Limited	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Reporting Period						
The Date since which Subsidiary was acquired	04-Nov-19		30-Aug-22		29-Nov-24	
Reporting Currency	INR	INR	INR	INR	INR	INR
Equity Share Capital	1.00	1.00	400.00	400.00	1.00	1.00
Other Equity	5,177.87	2,641.08	(1,430.42)	(1,114.79)	(61.52)	2.93
Total Assets	32,445.13	20,701.66	10,516.22	9,296.65	310.34	80.17
Total Liabilities	27,071.75	18,052.21	11,546.64	10,011.44	370.86	76.24
Investments						
Revenue from Operation	27,094.80	14,369.18	4,158.69	2,771.04	725.42	230.38
Profit Before Tax	3,372.92	1,455.35	(382.50)	(622.46)	(86.09)	3.91
Provision for Tax	633.06	256.98	(66.87)	(106.85)	(21.64)	0.99
Profit After Tax	2,739.87	1,198.37	(315.63)	(515.60)	(64.45)	2.93
Other Comprehensive Income	(15.93)	-	-	-	-	-
Total Comprehensive Income	2,723.94	1,198.37	(315.63)	(515.60)	(64.45)	2.93
Proposed Dividend	-	-	-	-	-	-
% of Share Holding	100%	100%	90%	90%	100%	100%



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Note 45 : Significant Events After The Reporting Period

The Board of Directors have recommended distribution of final dividend at the rate of 10% i.e. ₹0.50 per equity share (for financial year 2024-25 : ₹ 1.00 per equity share) of the face value of ₹ 5 for the financial year 2025-26, 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 Consolidated Financial Statements of the Group were approved for issue by the Board of Directors on May 21, 2026.

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 21, 2026

For and on behalf of the Board of Directors
Flair Writing Industries Limited

Khubilal Rathod
Chairman
(DIN. 00122867)

Alpesh Porwal
Chief Financial Officer

Vimalchand Rathod
Managing Director
(DIN. 00123007)

Vishal Chanda
Company Secretary

Notes

Notes

[illegible]

Notes



Flair Writing Industries Limited

Registered Office

Flair House, Plot No. A/64, Cross Rd A,
M.I.D.C, Marol MIDC Industry Estate,
Andheri East, Mumbai- 400093,
Maharashtra , India

