4^{th} ANNUAL REPORT
FOR THE YEAR ENDED 31-03-2023

FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

CIN: U36991DD2019PTC009856

Sr.No.370/2-A, Daman Vapi Road, Kachigam, Nani Daman, Daman DD 396210 IN

JESWANI & RATHORE
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of Flair Writing Equipments Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Flair Writing Equipments Private Limited ("the Company")** which comprise Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profits including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the 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.

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Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition (Refer note 2.7 of the 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.

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 Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained 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.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards ("Ind AS") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

• Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements, that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and
(ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 Financial Statements for the financial year ended March 31, 2023 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.

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Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 books;

c) The Balance sheet, the Statement of Profit & Loss including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** to this report;

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;

   The provisions of Sections 197 read with schedule V to the Companies Act, 2013 are applicable to Public Companies and hence, the reporting under this clause is not applicable to the company;

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 did not have any pending litigations on its financial position in its Financial Statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by

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the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations as provided under sub clause (iv)(a) and (iv) (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Jeswani & Rathore
Chartered Accountants
(Firm Reg. No.104202W)

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
(Partner)
M. No: 012807
UDIN: 23012807BGXVFL1900

Place: Mumbai
Date: 08 JUN 2023

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Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls 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 Financial Statements of **Flair Writing Equipments Private Limited** ("the Company") as of **March 31, 2023,** in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 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 these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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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 financial statements

Meaning of Internal Financial Controls with reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorisations of management and directors of the company and;
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 Financial Statements to future periods are subject to the risk that the internal financial control with reference to 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, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Jeswani & Rathore
Chartered Accountants
(Firm Reg. No.104202W)

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
(Partner)
M. No: 012807
UDIN: 23012807BGXVFL1900
Place: Mumbai
Date: 08 JUN 2023

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Annexure – B to the Independent Auditors' Report

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(ii) The Company has no intangible assets.

b) The Company has a phased program for physical verification of the Property, Plant and Equipment and right-of-use assets. In our opinion, the frequency of verification is reasonable considering the size of the company and nature of its Property, Plant and Equipment and right-of-use assets. Physical verification of the assets has been carried out by the Management during the year pursuant to the program in that respect and no material discrepancies were noticed during such verification.

c) On the basis of our examination of the records of the Company, the Company does not own any immovable property.

d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) during the year.

e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. In respect of its inventories:

(a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

(b) As disclosed in Note 10 to the 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:

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Quarter ended on	Amount as per books of accounts (Rs. In lakhs)	Amount as reported in the statements (Rs. In lakhs)	Difference (Rs. In lakhs)	Reason for discrepancies
March 31, 2023	3,421.80	3,364.67	57.13	As explained by the management, the quarterly statements submitted with banks were prepared on provisional basis and filed before the completion of all financial statement closure which led to these differences.
December 31, 2022	1,783.24	1,762.21	21.03	
September 30, 2022	848.16	850.06	(1.90)	
June 30, 2022	880.28	866.53	13.75	

iii. On the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, reporting under clause (iii)(a) to (iii)(f) of paragraph 3 of the Order is not applicable to the Company.

iv. The Company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies 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. In our opinion, the Company is regular in depositing undisputed statutory dues including goods and services 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, 2023 for a period of more than six months from the date they became payable.

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 3(viii) 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 willful defaulter by any bank or financial institution or government or government authority.

(c) The Company has utilised the money obtained by way of term loan during the year for the purposes for which they were obtained.

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

(d) On an overall of examination of the financial statement of the Company, we report that no funds raised on short term basis have been used for long term purpose 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, 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 associates Companies. Accordingly, reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable to the Company.

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) 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 shares 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) No fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditor) Rules, 2014 with Central Government.

(c) 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. 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 the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the Note 31 of financial statements as required by the applicable accounting standards.

xiv. In our opinion, internal audit as per Section138 of Companies Act, 2013 not applicable to the Company, hence the reporting under this clause (xiv)(a) and (b) of paragraph 3 of the Order is not applicable to the company.

xv. In our opinion, 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) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, reporting under clause (xvi)(a)(b) and (c) of paragraph 3 of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

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 Notes 38 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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. In our opinion, Section 135 of the Companies Act, 2013 is not applicable to the Company, hence, Clause 3(xx)(a) and 3(xx) (b) for the Order is not applicable.

For Jeswani & Rathore
Chartered Accountants
(Firm Reg. No.104202W)

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
(Partner)
M. No: 012807
UDIN: 23012807BGXVFL1900

Place: Mumbai
Date: 0 8 JUN 2023

FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

BALANCE SHEET AS AT March 31, 2023

(Rs. In lakhs)

	PARTICULARS	Note	As at March 31, 2023	As at March 31, 2022
	ASSETS			
1)	**Non-Current Assets**			
a)	Property, Plant and Equipment	1	2,676.94	1,549.85
b)	Capital Work-in-Progress	1	-	169.58
c)	Right-of-Use of Leased Assets	1	871.23	41.82
d)	Financial Assets			
	i) Other Financial Assets	2	22.52	20.21
e)	Current Tax Assets (Net)	17	0.12	0.03
f)	Other Non-Current Assets	3	98.86	109.91
	Total Non-Current Assets		**3,669.67**	**1,891.41**
2)	**Current Assets**			
a)	Inventories	4	2,327.61	528.84
b)	Financial Assets			
	i) Trade Receivables	5	1,446.17	641.60
	ii) Cash and Cash Equivalents	6	15.41	1.39
	iii)Loan	7	0.40	-
c)	Other Current Assets	3	712.65	291.54
	Total Current Assets		**4,502.24**	**1,463.37**
	Total Assets		**8,171.91**	**3,354.77**
	EQUITY AND LIABILITIES			
	Equity			
a)	Equity Share Capital	8	1.00	1.00
b)	Other Equity	9	957.55	349.11
	Total Equity		**958.55**	**350.11**
	Liabilities			
1	**Non-Current Liabilities**			
a)	Financial Liabilities			
	i) Borrowings	10	158.46	1,469.75
	ii) Lease Liabilities	11	736.27	33.25
b)	Deferred Tax Liabilities (Net)	12	47.62	23.80
	Total Non-Current Liabilities		**942.36**	**1,526.80**
2)	**Current Liabilities**			
a)	Financial Liabilities			
	i) Borrowings	10	4,236.31	662.28
	ii) Lease Liabilities	11	146.11	11.02
	iii) Trade Payables	13		
	Dues to Micro and Small Enterprises		684.56	270.76
	Dues to other than Micro and Small Enterprise		915.35	180.92
	iv) Other Financial Liabilities	14	191.27	315.75
b)	Provisions	15	30.16	20.91
c)	Other Current Liabilities	16	42.40	11.71
d)	Current Tax Liabilities (Net)	17	24.82	4.51
	Total Current Liabilities		**6,270.99**	**1,477.86**
	Total Liabilities		**7,213.35**	**3,004.66**
	Total Equity and Liabilities		**8,171.91**	**3,354.77**

Significant Accounting Policies

The Accompanying Notes form an intergral part of these Standalone Financial Statements **(Notes 1 to 39)**

As per our attached Report of even date
For Jeswani & Rathore
Chartered Accountants
(Firm Reg. No.104202W)

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
(Partner)
M.No. 012807
Mumbai
Date: 0 8 JUN 2023

For and on behalf of the Board of Directors
Flair Writing Equipments Private Limited

Khubilal Jugraji

Khubilal Rathod
Director
(DIN. 00122867)

Vimalchand Rathod
Director
(DIN. 00123007)

FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(Rs. In lakhs)

PARTICULARS	NOTE NO.	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from Operation	18	5,016.78	2,614.63
Other Income	19	14.62	5.37
Total Income		**5,031.40**	**2,620.00**
EXPENSES			
Cost of Material consumed	20	3,795.04	1,527.58
Changes in Inventories of Finished Goods and Work-in-Progress	21	(1,236.18)	(95.95)
Employee Benefit Expense	22	490.65	321.26
Finance Costs	23	258.54	120.60
Depreciation Expense	1	326.61	130.32
Other Expenses	24	664.04	342.80
Total Expenses		**4,298.70**	**2,346.62**
Profit/(Loss) Before tax		732.70	273.38
Tax Expense:			
(1) Current Tax		102.88	35.26
(2) Deferred Tax	12	23.82	(1.72)
Tax Adjustments for earlier years		0.00	1.10
Total Tax Expenses		**126.71**	**34.64**
Profit/(Loss) for the Year		**605.99**	**238.74**
Items that will not be reclassified to Profit or Loss			
i) Actuarial Loss on Defined Benefit Plan		-	-
ii)Income Tax on the above		-	-
Items that will be reclassified to profit or loss			
Total Other Comprehensive Income for the Year (Net of Tax)		**-**	**-**
Total Comprehensive Income for the Year		**605.99**	**238.74**
Earnings per share in Rs.			
Basic Earnings Per Share	**26**	**6,059.90**	**2,387.40**
Diluted Earnings Per Share	**26**	**6,059.90**	**2,387.40**

Significant Accounting Policies
The Accompanying Notes form an intergral part of these Standalone Financial Statements **(Notes 1 to 39)**

As per our attached Report of even date
For Jeswani & Rathore
Chartered Accountants
(Firm Reg. No.104202W)

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
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FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. In lakhs)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) for the Year	732.70	273.38
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation Expenses	326.61	130.32
Interest expenses	242.10	116.31
Interest on Leased Assets	16.44	4.28
Changes in Assets and Liabilities		
Trade Receivables	(804.57)	(178.11)
Inventories	(1,798.76)	(239.21)
Loans and other Financial Assets, Other Assets and Non current assets	(412.77)	(126.48)
Trade Payables	1,148.23	244.73
Other Financial Liabilities, Other Liabilities, Non Current Liabilities and Provisions	(79.81)	300.56
Cash Generated From Operations	**(629.83)**	**525.79**
Income Taxes Paid	(87.41)	(38.59)
NET CASH GENERATED BY OPERATING ACTIVITIES	**(717.23)**	**487.20**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase fixed assets	(1,247.20)	(1,096.47)
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	**(1,247.20)**	**(1,096.47)**
CASH FLOW FROM FINANCING ACTIVITIES		
Loan taken	2,262.75	740.84
Interest expenses	(242.10)	(116.31)
Payment of Lease Rent	(42.20)	(14.40)
NET CASH USED IN FINANCING ACTIVITIES	**1,978.45**	**610.13**
Net Increase/(Decrease) in Cash and Cash Equivalents	14.02	0.85
Cash and Cash Equivalents at the Beginning of the Year	1.39	0.53
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**15.41**	**1.39**

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.

Significant Accounting Policies

The Accompanying Notes form an intergral part of these Standalone Financial Statements **(Notes 1 to 39)**

As per our attached Report of even date

For Jeswani & Rathore
Chartered Accountants
(Firm Reg. No.104202W)

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
(Partner)
M.No. 012807
Mumbai
Date:
Date: 08 JUN 2023

For and on behalf of the Board of Directors
Flair Writing Equipments Private Limited

Khubilal Rathod

Khubilal Rathod
Director
(DIN. 00122867)

Vimalchand Rathod
Director
(DIN. 00123007)

FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

Statement of Changes in Equity

A. Equity Share Capital:

(Rs. In lakhs)

Particulars	As at March 31, 2023
i) Equity Shares of INR 10 each Issued. Subscribed and Fully Paid Up	
Balance at the beginning of the Period/Year	1.00
Change in Equity Share Capital during the Period/Year **(Refer Note 8)**	-
Balance at the end of the Year	**1.00**

b. Other equity

(Rs. In lakhs)

Particulars	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1, 2022	110.37	-	110.37
Add : Profit/(Loss) for the Year	238.74	-	238.74
Balance as at March 31, 2022	**349.11**	**-**	**349.11**
Balance as at April 1, 2023	349.11	-	349.11
Add : Profit/(Loss) for the period/year	605.99	-	605.99
Add: Amortization Expenses of Lease deposit of earlier Years	2.45	-	2.45
Balance as at March 31, 2023	**957.55**	**-**	**957.55**

Significant Accounting Policies

The Accompanying Notes form an intergral part of these Standalone Financial Statements **(Notes 1 to 39)**

As per our attached Report of even date

For Jeswani & Rathore
Chartered Accountants
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JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
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M.No. 012807
Mumbai
Date: 08 JUN 2023

For and on behalf of the Board of Directors
Flair Writing Equipments Private Limited

Khubilal Rathod	**Vimalchand Rathod**
Director	**Director**
(DIN. 00122867)	**(DIN. 00123007)**

FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

1. **CORPORATE INFORMATION**

Flair Writing Equipments Private Limited ('the Company') is a Company domiciled in India, with its registered office situated at 370/2-A, Daman Vapi Road, Kachigam, Nani Daman, Daman, Daman and Diu – 396210. The Company is wholly Owned Subsidiary Company of Flair Writing Industries Limited. The Company is engaged in manufacturing and dealing in writing instruments, stationeries and others allied(s).

2. **SIGNIFICANT ACCOUNTING POLICIES**

2.1 Basis of Preparation and Presentation of Financial Statements

a) **Compliance with Ind AS**

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act 2013("the 2013 Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rule 2015, and Companies (Indian Accounting Standards) Rules, 2016.

All the Assets and Liabilities have been classified as Current or Non- Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained the operating cycle to be 12 months.

b) **Historical cost convention**

The financial statements have been prepared on a historical cost basis.

c) **Functional and presentation currency**

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts in the financial statements have been rounded off to the nearest Lakhs or decimal thereof.

2.2. USE OF ESTIMATES,JUDGMENTS AND ASSUMPTIONS

The preparation of the financial statements requires that the Management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

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Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of Property Plant and Equipment:**
  Property, Plant and Equipment are depreciated over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives 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 lives and residual values are based on the management's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

- **Recoverability of trade receivables**
  Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

- **Provisions**
  Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

- **Application of Discount rates**
  Estimates of rates of discounting are done for measurement of fair values of certain financial assets and liabilities, which are based on prevalent bank interest rates and the same are subject to change.

- **Current versus Non-Current Classification**
  All the assets and liabilities have been classified as Current or Non Current as per the Company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

- **Impairment of Non-Financial Assets**
  The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an, asset's or group of Assets, called Cash Generating Units (CGU), 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 other assets or CGU's. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs 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 judgments in making these assumptions and selecting the inputs to the impairment calculation, based on management's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Recognition of Deferred Tax Assets and Liabilities**

  Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

2.3. PROPERTY,PLANT AND EQUIPMENT (PPE)

i. **Tangible Assets**

- **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.

- **Capital Work-In-Progress**

  Capital Work-In-Progress includes assets not yet ready to put to use and its incidental expenses. These expenses are capitalised to the respective fixed assets as and when the said fixed assets are ready to put to use and/or on commencement of commercial production.

ii. **Depreciation** :

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 Schedule – II of Companies Act, 2013.

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The useful life of major assets is as under:

Assets	Useful life (in years)
Furniture & Fixtures	10
Electrical Installation	10
Office Equipments	5
Plant & Machinery	15
Factory Equipments	5
Mould	8
Computer & Software	3
Two Wheeler	10
Vehicle	8

The residual values, useful lives 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.

iii. **Impairment of Non-Financial Assets- Property, Plant and Equipment**

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 cash generating units 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 cash generating units 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

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asset. All other finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.5. Foreign Currency Transactions and Translation

The Company's financial statements are presented in INR, which is the company's functional currency.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss and costs that are directly attributable to the acquisition assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

2.6. Fair Value Measurement

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuer's are involved for valuation of significant assets, such as properties, unquoted financial assets etc, if needed. Involvement of independent external valuers is decided upon annually by the Company. Further such valuation is done annually at the end of the financial year and the impact, if any, on account of such fair valuation is taken in the annual financial statements.

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.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions could affect the reported value of fair value of financial instruments

2.7. Revenue Recognition

The Company derives revenues from sale of manufactured 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

Other Income

Interest income is recognized on time proportionate basis taking into account amount outstanding and rate of Interest.

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Export Entitlements

Export entitlements such as duty drawback, Credit under MEIS, RODTEP etc are recognised as income when the right to receive the same as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate realization.

2.8. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in equity.

- **Current tax :**

  Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

- **Deferred tax :**

  Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

2.9. Inventories

Inventories include Raw Materials, Packing Materials, Stores and Spares, Traded Goods are measured at cost and Finished Goods Inventories are measured at lower of, cost and net realisable value after providing for obsolescence, if any.

Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost is determined on first in, first out basis

Net Realisable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Raw Materials and other supplies held for use in production of inventories are not written down below cost except in the case where material prices have declined and it is estimated that the cost of the finished product will exceed its Net Realisable Value

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2.10. Leases

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. 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. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.11. Contingent Liabilities and Commitments

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

2.12. Provision

Provisions are recognized 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 and a reliable estimate can be made of the amount of the obligation.

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13. Employee Benefits Expense

Employee benefits include bonus, compensated absences, provident fund, employee state insurance scheme and gratuity fund.

a) Compensated Absences

Accumulated compensated absences, which are expected to be availed or en-cashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

b) Payments of Bonus:

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practices that has created a constructive obligation.

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 measured 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.

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2) **Financial Assets measured 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 measured 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. **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 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 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 Loans to employees, 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:-

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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.
Loans to employees	The Company avails guarantee for loan provided to employees. In case of default in repayment of loan, the same is recovered from the salary of the guarantor.

(ii) Financial Liabilities

a. **Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees or recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

The Company's Financial Liabilities include trade and other payables, loans and borrowings including bank overdrafts and other payables, financial guarantee contracts and derivative financial instruments.

b. **Subsequent Measurement**

Financial Liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c. **De-recognition of Financial Instruments**

The company de-recognizes a Financial Asset when the contractual rights to the cash flows of the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. A Financial Liability (or part of Financial Liability) is de-recognized from the company's Balance Sheet when obligation specified in the contract is discharged or cancelled or expires.

d. **Offsetting of Financial Instruments**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

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

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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 after tax for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share

Diluted Earnings Per Share is calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares

2.18. Segment Reporting

The Company is engaged in the business of 'manufacturing and dealing in writing instruments, stationeries and others allied(s)', which in the context of Ind AS 108 - "Operating Segment" notified under section 133 of the Companies Act, 2013, is considered as the only segment.

2.19. Recent Accounting Pronouncements

The Ministry of Corporate Affairs ("MCA") has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2023.

- **Amendment to Ind AS 1 "Presentation of Financial Instruments"**

  The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information is material if, together with other information can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

- **Amendment to Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"**

  The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities use measurement techniques and inputs to develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves

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measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

- **<u>Amendment to Ind AS 12 "Income Taxes"</u>**

  The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

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Note 1 : Property, Plant and Equipment

(Rs. In lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 01,2022	Additions	Deletions	As at March 31, 2023	As at April 01,2022	Depreciation	Accumulated Depreciation on Deletions	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Plant and Machinery	1,251.25	860.00	-	2,111.25	139.04	187.52	-	326.56	1,784.69	1,112.21
Office Equipments	1.90	1.92	-	3.82	0.31	0.48	-	0.79	3.03	1.60
Factory Equipment	50.56	43.72	-	94.28	2.53	11.99	-	14.52	79.76	48.03
Computer and Software	5.93	3.53	-	9.47	0.15	2.14	-	2.29	7.18	5.79
Furniture & Fixtures	38.42	45.48	-	83.90	2.30	5.57	-	7.87	76.03	36.12
Mould	236.14	431.63	-	667.78	46.48	65.23	-	111.71	556.07	189.67
Electrical Instalation	168.31	20.45	-	188.76	11.86	16.45	-	28.31	160.45	156.45
Two Wheelar	-	0.82	-	0.82	-	0.01		0.01	0.82	-
Vehicles	-	9.22		9.22	-	0.30	-	0.30	8.92	-
Total	1,752.52	1,416.78	-	3,169.30	202.67	289.69	-	492.36	2,676.94	1,549.85

Note: Movable Property, Plant and Eqipment are hypothecated against cash credit facilities availed by the company amounting to Rs. 500 lakhs.

Note 1 : Rights-of-Use Assets

(Rs. In lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 01,2022	Additions	Deletions	As at March 31, 2023	As at April 01,2022	Depreciation	Accumulated Depreciation on Deletions	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Leased Assets	58.35	908.15	58.35	908.15	16.53	36.92	16.53	36.92	871.23	41.82
TOTAL	58.35	908.15	58.35	908.15	16.53	36.92	16.53	36.92	871.23	41.82

Note 1 : Capital Work In Progress

(Rs. In lakhs)

PARTICULARS	As At March 31, 2023	As At March 31, 2022
Mould	-	169.58
TOTAL	-	**169.58**

Ageing for CWIPL as at March 31, 2023 is as follows:

(Rs. In lakhs)

Particulars	Amount in CWIP for a period of			Total
	Less Than 1 year	2-3 years	More than 3 years	
Project in progress	-	-	-	-
Project is temporarily suspended	-	-	-	-
TOTAL	-	-	-	-

Ageing for CWIPL as at March 31, 2022 is as follows:

(Rs. In lakhs)

Particulars	Amount in CWIP for a period of			Total
	Less Than 1 year	2-3 years	More than 3 years	
Project in progress	169.58	-	-	169.58
Project is temporarily suspended	-	-	-	-
	169.58	-	-	169.58

Note 2 : Other Financial Assets

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Security Deposit	22.52	20.21
Total	**22.52**	**20.21**

Note 3 : Other Current Assets

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Capital Advance	97.63	109.34
Others	1.22	0.57
Total	**98.86**	**109.91**
Current		
Advance to Suppliers	166.96	1.96
Balances with Government Authorities	541.08	286.77
Others	4.61	2.81
Total	**712.65**	**291.54**

Note 4 : Inventories

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Inventories #		
Raw and Packing Materials	796.16	235.50
Raw and Packing Materials - Goods in Transit	-	0.45
Semi-Finished Goods	818.70	168.51
Finished Goods	707.84	121.86
Stock of Spares	4.90	2.53
Total	**2,327.61**	**528.84**

\# 1) Inventories has been valued as per Note 2(9) of Significant Accounting Policies.
2) Inventories are hypothecated against Cash Credit facilities availed by the Company amounting to Rs. 500 lakhs.

Note 5 : Trade Receivables

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered good		
Trade Receivables#	1,446.17	641.60
Total	**1,446.17**	**641.60**

\# 1) Trade Receivables are hypothecated against Cash Credit facilities availed by the Company amounting to Rs. 500 lakhs.

Ageing for trade receivables – non-current outstanding as at March 31, 2023 are as follows:

(Rs. 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	
Trade Receivables - Billed						
Undisputed trade receivables – considered good	1,443.40	2.77	-	-	-	1,446.17
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	-	-	-	-	-	-
Total	**1,443.40**	**2.77**	**-**	**-**	**-**	**1,446.17**

Ageing for trade receivables – non-current outstanding as at March 31, 2022 are as follows:

(Rs. 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	
Trade Receivables - Billed						
Undisputed trade receivables – considered good	641.60	-	-	-	-	641.60
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	-	-	-	-	-	-
Total	**641.60**	**-**	**-**	**-**	**-**	**641.60**

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Note 6 : Cash and Cash Equivalents

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on Hand	0.66	1.32
Balances with Banks		
- In Current Accounts	14.75	0.07
Total	**15.41**	**1.39**

Note 7 : Loan

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Unsecured, Considered good		
Loans and Advances to Employees	0.40	-
Total	**0.40**	-

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Note 8 : Equity Share Capital

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised Share Capital		
10,000 Equity Shares of Rs 10/- each	1.00	1.00
Total	**1.00**	**1.00**
Issued, Subscribed and Fully Paid-Up:		
10,000 Equity Shares of Rs 10/- each	1.00	1.00
Total	**1.00**	**1.00**

a) **Details of Shareholders in the Company**

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No of Equity Shares Held	Percentage	No of Equity Shares Held	Percentage
Flair Writing Industries Limited	10,000	100%	10,000	100%
Total	**10,000**	**100%**	**10,000**	**100%**

b) **Reconciliation of the Shares Outstanding at the Beginning and at the end of the Reporting Period**

(Rs. In lakhs)

Particulars	As at March 31, 2023 Equity Shares		As at March 31, 2022 Equity Shares	
	No.of Shares	Amount	No.of Shares	Amount
Shares Outstanding at the Beginning of the Year	10,000	1.00	10,000	1.00
Add: Issued During the Year	-	-	-	-
Less: Bought Back During the Year	-	-	-	-
Shares Outstanding at the end of the Year	**10,000**	**1.00**	**10,000**	**1.00**

c) The Company has one class of Equity Shares with face value of Rs. 10 each. Each Shareholder has a voting right in proportion to his holding of the paid-up Equity Share Capital of the Company. Where dividend is proposed by the Board of Directors, it is subject to the approval of the Shareholders in the Annual General Meeting (AGM), and in the case of interim dividend, it is ratified by the Shareholders at the AGM.

Note 9. Other Equity

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
i) Retained Earnings		
Balance at the beginning of the Year	349.11	110.37
Add: Amortization Expenses of Lease deposit of earlier Years	2.45	-
Add : Profit/(Loss) for the Year	605.99	238.74
Balance at the end of the Year (a)	**957.55**	**349.11**
ii) Other Comprehensive Income		
Balance at the beginning of the Year	-	-
Re-measurement gains/ (losses) on Defined Benefit Plans	-	-
Balance at the end of the Year (b)	**-**	**-**
Balance at the end of the Year of Other Equity (a+b)	**957.55**	**349.11**

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Note 10 : Borrowings

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non - Current		
Secured - at Amortised cost		
Term Loan - from Bank	158.46	369.75
Unsecured - at Amortised cost		
Loan from holding Company	-	1,100.00
Total	**158.46**	**1,469.75**
Current		
Secured - at Amortised cost		
Working Capital Loan- Cash Credit	687.78	214.50
Current maturities of Long term borrowings	211.29	211.29
Unsecured - at Amortised cost		
Loan from holding Company	3,337.25	236.49
Total	**4,236.31**	**662.28**

Nature of Borrowing	Name of the lender	Nature of Borrowing	Loan Currency	As at March 31, 2023	Rate of Interest	Repayment terms
Term Loan - from Bank	Citi Bank N.A.	Term Loan	INR	369.75	8.60%	End to End tenor of 5 Years with 18 months moratorium Repayment will be quarterly basis
Cash Credit - from Bank	Citi Bank N.A.	Cash Credit	INR	687.78	9.50%	Revolving 365 days

Refer Note 28 for information on Company's exposure to Interest rate and Liquidity risks.

Working Capital Loans from Bank are secured by hypothecation of all present and future Stock and Receivables, movable fixed assets of the Company and corporate Guarantee of Flair Writing Industries Limited.

Negative lien on immovable properties at:

Building at 708/1,708/2,708/3,708/4,708/5,708/6 & 709/12 & 709/18 Dabhel, District Daman owned by Flair Writing Industries Limited.

The Company is filing monthly statement for Inventories, Debtors and Creditors for Raw Material with Citi Bank N.A. for working capital facilities. The below is summary of reconcilliation of quarterly statement filed with the bank and books of accounts:

(Rs. In lakhs)

Quarter ended on	Amount as per books of accounts	Amount as reported in the statements	Difference	Remarks
March 31, 2023	3,421.80	3,364.67	57.13	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, 2022	1,783.24	1,762.21	21.03	
September 30, 2022	848.16	850.06	(1.90)	
June 30, 2022	880.28	866.53	13.75	
March 31, 2022	854.69	770.72	83.97	
December 31, 2021	610.12	602.20	7.92	
September 30, 2021	735.24	733.52	1.72	
June 30, 2021	586.59	563.38	23.21	

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Note 11 : Lease Liabilities

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Lease Liabilities	736.27	33.25
Total	**736.27**	**33.25**
Current		
Lease Liabilities	146.11	11.02
Total	**146.11**	**11.02**

Note 12 : Deferred Tax Liabilities (Net)

In accordance with Indian Accounting Standard -12 relating to "Income Taxes" the breakup of Deferred Tax Assets / (Liabilities) is as follows :

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax (Liabilities)/Assets	47.62	23.80
Total	**47.62**	**23.80**

2022-23

Deferred Tax Assets/(Liabilities) in relation to:

(Rs. In lakhs)

Particulars	Opening Balance	Recognised in Profit or loss	Recognised in OCI	Closing Balance
Deferred Tax Liabilities				
Property, Plant and Equipment	27.76	27.05	-	54.81
Others	-	-	-	-
	27.76	**27.05**	**-**	**54.81**
Deferred Tax Assets				
Expenses allowed on payment basis	3.59	1.59	-	5.18
Others	-	1.83	-	1.83
Pre-operative Expenses	0.37	(0.18)	-	0.18
	3.96	**3.23**	**-**	**7.19**
Total	**23.80**	**23.82**	**-**	**47.62**

2021-22

Deferred Tax Assets/(Liabilities) in relation to:

(Rs. In lakhs)

Particulars	Opening Balance	Recognised in Profit or loss	Recognised in OCI	Closing Balance
Deferred Tax Liabilities				
Property, Plant and Equipment	13.70	14.06	-	27.76
Others	13.66	(13.66)	-	-
	27.36	**0.40**	**-**	**27.76**
Deferred Tax Assets				
Expenses allowed on payment basis	1.29	2.30	-	3.59
Pre-operative Expenses	0.55	(0.18)	-	0.37
	1.84	**2.12**	**-**	**3.96**
Total	**25.52**	**(1.72)**	**-**	**23.80**

Note 13 : Trade payables

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Micro, Small and Medium Enterprises	684.56	270.76
- Others	915.35	180.92
Total	**1,599.91**	**451.68**

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

(Rs. In lakhs)

Particulars	Outstanding for following periods from transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
Trade payables					
- MSME*	684.56	-	-	-	684.56
- Others	845.83	69.50	0.02	-	915.35
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**1,530.39**	**69.50**	**0.02**	**-**	**1,599.91**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

(Rs. In lakhs)

Particulars	Outstanding for following periods from transaction				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
Trade payables					
- MSME*	270.76	-	-	-	270.76
- Others	180.25	0.67	-	-	180.92
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**451.01**	**0.67**	**-**	**-**	**451.68**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

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2) Total outstanding dues of Micro Enterprises and Small Enterprises

Disclosures relating to amounts payable as at the year-end together with interest paid/payable to Micro and Small Enterprise have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosures are given below.

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid as on year end	684.56	270.76
(ii) Interest due thereon remaining unpaid as on the end of the accounting year	-	-
(iii) Interest paid by the Company in term of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iv) 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 Micro, Small and Medium Enterprises	-	-
(v) Interest accrued and remaining unpaid as on year end.	-	-
(vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-
Total	684.56	270.76

Note 14 : Other Financial Liabilities

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Payables on account of Purchase of Property, Plant and Equipment	58.33	254.99
Other Payables	132.95	60.76
Total	191.27	315.75

Note 15 : Provision

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Provision for Employee Benefits#	30.16	20.91
Total	30.16	20.91

Note 16 : Other Current Liabilities

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues	36.31	11.71
Revenue received in advance		
- Others	6.09	-
Total	42.40	11.71

Note 17 : Current Tax (Net)

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Tax Assets		
Income Tax	0.12	0.03
Total	**0.12**	**0.03**
Current Tax Liabilities		
Income Tax (net of advance tax)	24.82	4.51
Total	24.82	4.51

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Note 18 : Revenue From Operation

(Rs. In lakhs)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Operating Income		
Sales of Products		
Local	4,885.82	2,612.88
Export	126.58	-
b) Sale of Services	-	0.53
c) Other Operating Revenue		
Sale of Scrap	1.32	1.21
Export Incentives	3.07	
Total	**5,016.78**	**2,614.63**

Note 19 : Other Income

(Rs. In lakhs)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		
- Bank	-	-
- Others	0.94	0.15
Other Non-Operating Income	13.67	5.22
Total	**14.62**	**5.37**

Note 20 : Cost of Materials Consumed

(Rs. In lakhs)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	235.95	95.21
Add. Purchase	4,355.25	1,668.32
Less. Closing stock	796.16	235.95
Total	**3,795.04**	**1,527.58**

Note 21 : Changes in Inventories of Finished Goods

(Rs. In lakhs)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Stock		
Semi - Finished Goods	168.51	94.31
Finished Goods	121.86	100.10
Total (A)	**290.36**	**194.42**
Closing Stock		
Semi - Finished Goods	818.70	168.51
Finished Goods	707.84	121.86
Total (B)	**1,526.54**	**290.36**
Total (A-B)	**(1,236.18)**	**(95.95)**

Note 22 : Employee benefit expense

(Rs. In lakhs)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and Bonus	467.84	302.10
Contribution to Provident and Other Funds **(Refer Note 25)**	21.65	18.30
Staff Welfare Expenses	1.16	0.86
Total	**490.65**	**321.26**

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Note 23 : Finance Costs

(Rs. In lakhs)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Bank Interest	57.32	63.27
Interest on Right of Use Assets	16.44	4.28
Other Borrowing Cost	179.70	53.05
Interest on Direct Tax	5.08	-
Total	**258.54**	**120.60**

Note 24 : Other Expenses

(Rs. In lakhs)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Manufacturing Expenses		
Consumable Expenses	10.51	6.47
Electric Power, Fuel and Water	229.75	52.39
Freight Inward	6.34	3.41
Job Work and Other Related Expenditure	196.88	223.91
Machine And Mould Maintenance	41.32	19.93
Factory Rent	34.80	-
Factory Expenses	4.61	6.61
Loading & Unloading Expenses	1.25	-
Establishment Expenses		
Bank Charges	0.43	0.27
Insurance Expenses	3.78	2.63
Legal & Professioanl Fees	29.39	17.89
Office Rent	0.60	0.60
Postage & Courier Expenses	0.31	0.34
Printing and Stationery	3.00	1.15
Miscellaneous Expenses	0.46	2.65
Repairs & Maintenance		
Computer	0.04	0.15
Vehicles	0.04	-
Others	7.98	0.76
Telephone & Communication Charges	1.06	-
Travelling & Conveyance	5.24	0.03
Payment to Auditor **(Refer Note 24.1)**	4.00	1.80
Selling and Distribution Expenses		
Publicity and Sales Promotion expenses	36.91	-
Commission & Brokerage	0.60	-
Freight, Clearing & Forwarding Charges	4.49	-
Freight Outward	40.25	1.79
Total	**664.04**	**342.80**

Note: 24.1 Payment to Auditor

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As Auditors:		
Statutory Audit Fees	3.00	1.50
Tax Audit Fees	1.00	0.30
Total	**4.00**	**1.80**

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Note 25 : Employment Benefit Plans

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

Defined Contribution Plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's Contribution to Provident Fund	10.75	7.31
Employer's Contribution to Pension Scheme	10.82	11.00
Total	**21.56**	**18.30**

Note 26 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to Equity holders for Basic Earnings	605.99	238.74
Weighted average number of Equity Shares for basic & diluted EPS	10,000	10,000
Face Value Per Share	10	10
Basic Earning Per Share (in Rs.)	6,059.90	2,387.40
Diluted earning Per Share (in Rs.)	6,059.90	2,387.40

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FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

Note 27 : Fair value measurements

Fair Value Measurement Hierarchy

As at March 31, 2023 (Rs. In lakhs)

Particulars	Carrying amount				Fair value hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Trade Receivables	-	-	1,446.17	1,446.17	-	-	1,446.17	1,446.17
Cash and Cash Equivalents	-	-	15.41	15.41	-	-	15.41	15.41
Loan	-	-	0.40	0.40	-	-	0.40	0.40
Other Financial Assets	-	-	22.52	22.52	-	-	22.52	22.52
Total financial assets	-	-	**1,484.50**	**1,484.50**	-	-	**1,484.50**	**1,484.50**
Financial liabilities								
Non-Current Borrowing	-	-	158.46	158.46	-	-	158.46	158.46
Current Borrowing	-	-	4,236.31	4,236.31	-	-	4,236.31	4,236.31
Trade Payables	-	-	1,599.91	1,599.91	-	-	1,599.91	1,599.91
Lease Liabilities	-	-	882.39	882.39	-	-	882.39	882.39
Other Financial Liabilities	-	-	191.27	191.27	-	-	191.27	191.27
Total financial liabilities	-	-	**7,068.35**	**7,068.35**	-	-	**7,068.35**	**7,068.35**

As at March 31, 2022 (Rs. In lakhs)

Particulars	Carrying amount				Fair value hierarchy			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Trade Receivables	-	-	641.60	641.60	-	-	641.60	641.60
Cash and Cash Equivalents	-	-	1.39	1.39	-	-	1.39	1.39
Other Financial Assets	-	-	20.21	20.21	-	-	20.21	20.21
Total financial assets	-	-	**663.20**	**663.20**	-	-	**663.20**	**663.20**
Financial liabilities								
Non-Current Borrowing	-	-	1,469.75	1,469.75	-	-	1,469.75	1,469.75
Current Borrowing	-	-	662.28	662.28	-	-	662.28	662.28
Trade Payables	-	-	451.68	451.68	-	-	451.68	451.68
Lease Liabilities	-	-	44.27	44.27	-	-	44.27	44.27
Other Financial Liabilities	-	-	315.75	315.75	-	-	315.75	315.75
Total financial liabilities	-	-	**2,943.73**	**2,943.73**	-	-	**2,943.73**	**2,943.73**

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 :

a) Fair valuation of Financial Assets and Liabilities with short-term maturities is considered as approximate to respective carrying amount due to the Short Term maturities of these Instrument.

b) The fair value is determined by using the valuation model/technique with observable inputs and assumptions.

c) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis

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Note 28 : 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: (Rs. In lakhs)

Due from the date of invoice	As at March 31, 2023	As at March 31, 2022
0-6 months	1,443.40	641.60
6 months to 12 months	2.77	-
beyond 12 months	-	-
Total	1,446.17	641.60

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.

(Rs. In lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unutilised credit limit from bank	105.54	44.86
Current Ratio (In Times)	0.72	0.99
Liquid Ratio (In Times)	0.26	0.53

Exposure to liquidity risk

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, 2023 (Rs. In lakhs)

PARTICULARS	As at March 31, 2023					
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	TOTAL
Non-derivative financial liabilities						
Borrowings	4,130.67	105.64	158.46	-	-	4,394.78
Trade payables	1,599.91	-	-	-	-	1,599.91
Lease Liabilities	71.42	74.69	397.15	339.12	-	882.39
Other financial liabilities	191.27	-	-	-	-	191.27
Total	5,993.27	180.34	555.62	339.12	-	7,068.35

As at March 31, 2022 (Rs. In lakhs)

PARTICULARS	As at March 31, 2022					
	0-6 Months	6-12 Months	1-3 years	3-5 Years	Above 5 Years	TOTAL
Non-derivative financial liabilities						
Borrowings	556.63	105.64	1,469.75		-	2,132.03
Trade payables	451.68	-	-	-	-	451.68
Lease Liabilities	5.39	5.63	25.09	8.16	-	44.27
Other financial liabilities	315.75	-	-	-	-	315.75
Total	1,329.45	111.27	1,494.84	8.16	-	2,943.73

III) Market risk- Currency Risk

The Company operates internationally and a portion of the business is transacted in foreign currencies. Consequently, the Company is exposed to foreign exchange risk through its purchases from overseas markets in foreign currencies. The exposure to Foreign Currency for all other currencies are not material.

Exposure to currency risk

The details of unhedged foreign currency at the exchange rate at reporting date are:

(Rs. In lakhs)

PARTICUALRS	As at March 31, 2023		As at March 31, 2022
	USD	JPY	USD
Financial Assets			
Trade Receivables	75.40	-	-
Other Receivables	147.91	-	40.89
Financial Liabilities			
Trade payables	-	17.42	-
Other Payables			
Total exposure	223.31	(17.42)	40.89

MUMBAI

SENSITIVITY ANALYSIS

Sensitivity analysis of 1% change in exchange rate at the end of reporting year.

(Rs. in lakhs

PARTICUALRS	As at March 31, 2023		As at March 31, 2022	
	USD	JPY	USD	JPY
1% Depreciation in INR				
Impact on Profit & Loss	2.23	(0.17)	0.41	-
TOTAL	**2.23**	**(0.17)**	**0.41**	**-**
1% Appreciation in INR				
Impact on Profit & Loss	(2.23)	0.17	(0.41)	-
TOTAL	**(2.23)**	**0.17**	**(0.41)**	**-**

Sensitivity analysis is computed based on the changes in the receivables in foreign currency upon conversion into functional currency, due to exchange rate fluctuations at current reporting year.

iv) 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 investment 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

(Rs. in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings		
Loan from Banks	57.32	63.27
Unsecured Loan from holding Company & Directors	167.51	53.05
Interest on right of use Assets	16.44	4.28
Total	**241.27**	**120.60**

Impact on Interest Expenses for the year on 1% change in Interest Rate

(Rs. in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
1% Change in increase in Interest Rate	2.41	1.21
1% Change in decrease in Interest Rate	(2.41)	(1.21)

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

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 Risk Committee of the Company comprising of members from the Board of Directors and the operations have developed and enacted a Risk Management strategy regarding Commodity Price Risk and its mitigation.

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Note 29 : Movement in Deferred Tax

Movement in Deferred Tax balances for the period ended March 31, 2023

(Rs. In lakhs)

Particulars	As at April 01, 2022	Recognised in profit or loss	Recognised in OCI	As at March 31, 2023
Deferred Tax Liabilities				
Property, Plant and Equipment	27.76	27.05	-	54.81
Others	-	-		-
	27.76	**27.05**	**-**	**54.81**
Deferred Tax Assets				
Expenses allowed on payment basis	3.59	1.59	-	5.18
Others	-	1.83	-	1.83
Pre-opertative expenses	0.37	(0.18)	-	0.18
	3.96	**3.23**	**-**	**7.19**
Deferred Tax Asset/ (Liability)	**23.80**	**23.82**	**-**	**47.62**

Movement in Deferred Tax balances for the period ended March 31, 2022

Particulars	As at April 01, 2021	Recognised in profit or loss	Recognised in OCI	As at March 31, 2022
Deferred Tax Liabilities				
Property, Plant and Equipment	13.70	14.06	-	27.76
Others	13.66	(13.66)		-
	27.36	**0.40**	**-**	**27.76**
Deferred Tax Assets				
Expenses allowed on payment basis	1.29	2.30	-	3.59
Pre-opertative expenses	0.55	(0.18)	-	0.37
	1.84	**2.12**	**-**	**3.96**
Deferred Tax Asset/ (Liability)	**25.52**	**(1.72)**	**-**	**23.80**

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 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.

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

FLAIR WRITING EQUIPMENTS PRIVATE LIMITED

Note 30 : Income Tax Expense

(a) Amounts recognised in Profit and Loss **(Rs. In lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	102.88	35.26
Deferred tax	23.82	(1.72)
Tax adjustments for Earlier Years	0.00	1.10
Tax expense	**126.71**	**34.64**

(b) Reconciliation of Effective Income Tax Rate **(Rs. In lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	732.70	273.38
Company's domestic tax rate	17.16%	17.16%
Income tax using the Company's tax rate	125.73	46.91
Tax effect of:		
Permanent disallowances	0.89	0.02
Timing Difference	(23.74)	(11.67)
Deferred tax	23.82	(1.72)
Tax adjustments for Earlier Years	0.00	1.10
Income tax as per Profit and Loss Account	**126.71**	**34.64**
Effective Tax Rate	**17.29%**	**12.67%**

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Note 31 : Related Party Disclosure

(a) Parties where control exists whether or not transactions have taken place:

	Nature of Relationship	Name of Related Party
(i)	Holding Company	Flair Writing Industries Limited
(ii)	Subsidary of Holding Company	Flair Cyrosil Industries Private Limited
(iii)	Enterprises over which any person described in (i) and (ii) above is able to influence (The Enterprises):	Pentel Stationery (India) Pvt Ltd Flair Pen & Plastic Industries-Valsad Flair Writing Aids Hauser Lifestyle Products

(b) Other Related Parties with whom transactions have taken place:

	Nature of Relationship	Name of Related Party
(i)	Key Managerial Personnel (KMP)	Khubilal Rathod Vimalchand Rathod Rajesh Rathod Mohit Rathod Sumit Rathod

(c) Transactions with Related Parties (Rs. In lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**Sale of Goods**			
	Flair Writing Industries Limited	Holding Company	389.67	12.83
	Pentel Stationery (India) Pvt Ltd	Enterprises over which any person described in (i) and (ii) above is able to influence	1.12	
	Hauser Lifestyle Products		104.37	-
2	**Rent Paid**			
	Flair Writing Industries Limited	Holding Company	44.40	15.00
	Flair Pen & Plastic Industries-Valsad	Enterprises over which any person described in (i) and (ii) above is able to influence	29.80	
	Flair Writing Aids		3.40	
3	**Purchase of goods**			
	Flair Writing Industries Limited	Holding Company	752.15	231.72
	Hauser Lifestyle Products	Enterprises over which any person described in (i) and (ii) above is able to influence	565.46	-
	Pentel Stationery (India) Pvt Ltd		1.89	
4	**Purchase of Assets**			
	Flair Writing Industries Limited	Holding Company	11.55	45.41
	Flair Pen & Plastic Industries-Valsad	Enterprises over which any person described in (i) and (ii) above is able to influence	20.00	
	Hauser Lifestyle Products		35.92	
	Flair Cyrosil Industries Private Limited	Subsidary of Holding Company	-	48.93
5	**Purchase of Licence**			
	Flair Writing Industries Limited	Holding Company	2.81	-
6	**Advertisement and sales promotion Expense**			
	Flair Writing Industries Limited	Holding Company	1.31	-
7	**Director/Managerial Remuneration**			
	Khubilal J. Rathod	Key Managerial Personnel	12.00	-
8	**Loan taken**			
	Flair Writing Industries Limited	Holding Company	2,340.00	1,537.16
9	**Loan Repaid**			
	Flair Writing Industries Limited	Holding Company	490.00	850.80
	Mohit Rathod	Director	-	36.01
10	**Reimbursement of Expenses (Paid)**			
	Flair Writing Industries Limited	Holding Company	-	0.20
11	**Interest Expenses**			
	Flair Writing Industries Limited	Holding Company	167.51	52.98
	Mohit Rathod	Director	-	0.07

(d) Outstanding balances as at the year end (Rs. In lakhs)

Sr. No.	Nature of Transaction	Type	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**Trade Payables**			
	Flair Writing Industries Limited	Holding Company	533.16	151.63
	Flair Pen & Plastic Industries-Valsad	Enterprises over which Key Managerial Personnel are able to exercise significant influence	0.52	-
	Flair Writing Aids		2.72	-
	Hauser Lifestyle Products		492.09	-
	Pentel Stationery (India) Pvt Ltd		2.23	-
	Flair Cyrosil Industries Private Limited	Subsidary of Holding Company	-	57.75
2	**Trade Receivable**			
	Flair Writing Industries Limited	Holding Company	19.37	-
	Hauser Lifestyle Products	Enterprises over which Key Managerial Personnel are able to exercise significant influence	92.24	-
3	**Share Capital**			
	Flair Writing Industries Limited	Holding Company	1.00	1.00
4	**Loan payables**			
	Flair Writing Industries Limited	Holding Company	3,337.25	1,336.49

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Note 32 : Capital Management

The Company's Capital Management is driven by the Company's policy to maintain a sound capital base to support the continuous development of its Business. The Board of Directors seek to maintain a prudent balance between different components of the Company's Capital. The Management monitors the Capital Structure and the Net Financial Debt at individual currency level. Net Financial Debt is defined as Current and Non-Current Financial Liabilities less Cash and Cash Equivalents and Short Term Investments.

Note 33 : Segment Reporting

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's Management and Internal Reporting Structure.

The Company's Board of Directors has been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of Business Plan, preparation of Budget, Planning, alliance, and expansion of any new facility.

Board of Directors review the operating results of its "Writing Instruments and its Allied" business at Company level to assess its performance. Accordingly, there is only one reportable segment for the Company which is "Writing Instruments and its Allied", involved in manufacturing and dealing in writing instruments and its allied. Hence, no specific disclosures have been made.

Note 34 : Corporate Social Responsibility Expenditure(CSR)

Since provision of Section 135 of the Act is not applicable to the Company in the relevant financial year and hence the Company has not made any provision for CSR Expenditure.

Note 35 : Leases

In the Statement of Profit and Loss operating 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 profit is as follows,

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Reduction in Lease Rentel	(42.20)	(14.40)
(B) Increase in Depreciation	36.92	11.67
(C) Increase in Interest	16.44	4.28
(D) Net Impact on Profit before Tax	**(11.16)**	**(1.56)**

Note 36 : Capital and Other Commitments

(Rs. In lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for:	271.54	-
Total	**271.54**	-

Note 37 : Contingent Liability

The Company does not have any Contingent Liability for the year ended March 31, 2023.

Note 38 : Additional regulatory information

1) Analytical Ratio Analysis

Ratio	Numerator	Denominator	2022-2023			2021-2022	% of Variance	Explanation for change in the ratio by more than 25%
			Numerator	Denominator	Ratio	Ratio		
Current Ratio (in times)	Current Assets	Current Liabilities	4,502.24	6,270.99	0.72	0.99	-27.49%	Decreased due to increase in current liabilities
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	5,277.17	958.55	5.51	6.22	-11.43%	
Debt service coverage ration (in times)	Earning for Debt Service	Debt Service	1,285.96	984.76	1.31	0.44	197.01%	The increase is due to decrease in borrowings.
Return on equity ratio (in %)	Net Profit After Taxes	Total equity	605.99	654.33	93%	103.47%	-10.49%	
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	3,623.74	1,428.23	2.54	5.08	-50.10%	Decreased is due to increase in inventory
Trade receivables turnover ratio (in times)	Revenue from Operations	Average trade receivables	5,016.78	1,043.88	4.81	4.73	1.56%	
Trade payables turnover ratio (in times)	Net Credit Purchase	Average trade payables	4,355.25	1,025.79	4.25	5.07	-16.19%	
Net capital turnover ratio (in times)	Revenue from Operations	Average Working Capital	5,016.78	(891.62)	NA	NA		
Net profit ratio (in %)	Net Profit After Taxes	Revenue from Operations	605.99	5,016.78	12%	9.13%	32.29%	Increased due to increase in Profit during the year
Return on capital employed (in %)	Profit before interest and taxes	Capital employed	991.24	6,283.34	16%	15.45%	2.12%	
Return on investment (in %)	Profit After Taxes	Total Equity	605.99	958.55	63%	68.19%	-7.29%	

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2) Details of Benami Property:
No proceeding have been initiated or are are pending against the Company for holding any Benami propeerty under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

3) Utilisation of borrowed funds and share premium:

(a) 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.

(b) 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 Company (Ultimate Beneficiaries) or
ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

4) Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

5) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

6) Details of crypto currency or virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year

7) Valuation of Property,Plant and Equipment :

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.

8) Willful Defaulter :

The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender inaccordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

9) Details of Transaction with Struck of Companies :

The Company do not have any transactions with companies struck off.

10) Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charge or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

Note 39

The figures for the corresponding previous year has been regrouped/reclassified wherever necessary, to make them comparable.

For Jeswani & Rathore
Chartered Accountants
(Firm Reg. No.104202W)

JESWANI & RATHORE MUMBAI CHARTERED ACCOUNTANTS

Khubilal G. Rathore
(Partner)
M.No. 012807
Mumbai
Date: 08 JUN 2023

For and on behalf of the Board of Directors
Flair Writing Equipments Private Limited

Khubilal Rathod
Director
(DIN. 00122867)

Vimalchand Rathod
Director
(DIN. 00123007)