

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
FLAIR WRITING INDUSTRIES LIMITED

CIN: L51100MH2016PLC284727

63 B/C, Government Industrial Estate,
Charkop, Kandivali West, Mumbai 400 067

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 And the Regulations and Bye-laws framed thereunder;
- iv. Securities and Exchange Board of India (Depositories and Participant) Regulations 2018;
- v. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment in India; The provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the financial year; and
- vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 along with 2018 amendments;
- c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#;
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008#;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021#; and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time.
- ii) The Equity Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

Note: The Company was Listed on BSE Limited and NSE Limited on December 1, 2023, pursuant to which SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter referred to as “LODR”) became applicable on the Company. During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Circulars, Notifications, Directions, Guidelines, Standards, etc. mentioned above.

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

We further report that -

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

Adequate notice was given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice

and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the period under review, the Company has inter alia undertaken the following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards, etc. referred to above:

1. The Board of Directors at their meeting held on June 23, 2023, inter alia, approved the Initial Public Offer of fresh issue aggregating to Rs. 3650 million ("Fresh Issue") and an offer for sale of Equity Shares by certain existing and eligible shareholders and the same has been approved by the Shareholders in its meeting held on June 26, 2023.
2. The Company has adopted revised Articles of Association (AOA) and Shareholders has approved the same in their meeting held on June 26, 2023.
3. The Company has re-appointed Statutory Auditor M/s Jeswani & Rathore, Chartered Accountants for further term of 3 years up to the conclusion of the 10th AGM of the company.
4. The Board of Directors in their meeting held on November 08, 2023 has approved issue of 2,401,315 equity shares of the Company of face value of Rs.5/- at price of Rs.304/- (including premium of Rs.299/-) per equity share, on a preferential basis through private placement pursuant to (i) Section 23, 42 and 62(1)(c) read with the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 to Volrado Venture Partners Fund III BETA and the shareholders has approved the same in their meeting held on November 08, 2023.

Details/Events of IPO:

- a) On July 10, 2023, the Board approved reduction in the size of the fresh issue from such number of equity shares aggregating up to Rs. 2920 million offer and an offer for sale of selling Equity Shares of such number of equity shares aggregating up to Rs. 3010 million pursuant to the letter of Selling Shareholders;
- b) The board of Directors has approved on June 30, 2023, restated Financial Statements as of and for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021 for the purpose of initial Public offer in accordance with the SEBI ICDR regulation 2018;
- c) On July 10, 2023, the Board approved Draft Red Herring Prospectus and the same was filed with the Securities and Exchange Board of India ("SEBI") on July 15, 2023;

- d) The Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 22, 2023;
- e) On November 16, 2023, the Board approved Red Herring Prospectus ("RHP") and the same was then filed with SEBI and ROC on November 16, 2023 read with the addendum to the RHP dated November 20, 2023.
- f) On November 25, 2023, the Board approved and adopted Prospectus and it was filed with the ROC on November 26, 2023, and the same was approved on November 26, 2023.
- g) The Company came out with an Initial Public Offering of equity shares of face value of Rs.5/- comprising a fresh issue of 9,605,263 Equity shares by the company aggregating to Rs. 2920 million ("Fresh issue") and an offer for sale of 9,901,315 Equity shares aggregating to Rs. 3010 million by the Selling Shareholders for cash at a price of Rs. 304/- per equity share including a premium of INR 299/- per equity share. The issue was opened for subscription on November 22, 2023, and closed on November 24, 2023, and the same was fully subscribed. The Stock Exchanges i.e. BSE and NSE, granted their Listing and Trading Approvals on November 30, 2023.

For **KPUB & CO.,**

Company Secretaries

Firm Registration No: P2015MH069000

KESHAV

BHIKHAMCHA

ND PUROHIT

Keshav Purohit

Partner

ACS No: 39702; C P No.: 20471

Mumbai | 25 July 2024

ICSI UDIN: A039702F000827051

Digitally signed by
KESHAV BHIKHAMCHAND
PUROHIT
Date: 2024.07.25 16:50:45
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This report is to be read with our letter of even date which is annexed as Annexure '1' and forms an integral part of this report.

'Annexure 1'

To
The Members,
FLAIR WRITING INDUSTRIES LIMITED
CIN: L51100MH2016PLC284727
63 B/C, Government Industrial Estate,
Charkop, Kandivali West, Mumbai 400 067

Our Secretarial Audit Report for the Financial Year ended on March 31, 2024, of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Keshav Purohit
Partner
ACS No: 39702; C P No.: 20471
Mumbai | 25 July 2024
ICSI UDIN: A039702F000827051