

TRACK RECORD OF THE PUBLIC ISSUES MANAGED BY THE MERCHANT BANKER IN THE LAST 3 FINANCIAL YEARS

Name of the Issue: Flair Writing Industries Limited

- 1. Type of Issue (IPO/FPO)** IPO
- 2. Issue Size (Rs. Cr)** INR 593 Cr
- 3. Grade of issue along with name of the rating agency**
 - Name** NA
 - Grade** NA
- 4. Subscription Level (Number of times)** 46.98 times (excluding the Anchor Investor Portion) after removing multiple and duplicate bids, bids (UPI Mandates) not accepted by investors/ blocked, bids rejected under application banked but bid not registered and technical rejections cases from the "Bid Book'

Source: Minutes of the Meeting held for the finalization of the Basis of Allotment dated November 28, 2023

5. QIB Holding (as a % of outstanding capital) as disclosed to stock exchanges

| Particulars | Percentage |
|--|------------|
| (i) allotment in the issue | 12.16 %* |
| (ii) at the end of the 1st Quarter immediately after the listing of the issue [#] | 10.96% |
| (iii) at the end of 1st FY (March 31, 2024) ^{##} | 11.11% |
| (iv) at the end of 2nd FY (March 31, 2025) [^] | NA |
| (v) at the end of 3rd FY (March 31, 2026) [^] | NA |

(*) As per the shareholding pattern as on the date of listing.

(^) QIB Holding not disclosed as reporting for relevant period / fiscal years has not been completed.

Source : Shareholding Pattern of the Company for the quarter ended December 31, 2023

Source : Shareholding Pattern of the Company for the quarter ended March 31, 2024.

6. Financials of the issuer (as per the annual financial results submitted to stock exchanges)

Consolidated

(Rs in Crores)

| Parameters | 1st FY (March 31, 2024)# | 2nd FY (March 31, 2025)* | 3rd FY (March 31, 2026)* |
|---|--------------------------|--------------------------|--------------------------|
| Income from operations | 978.73 | N.A. | N.A. |
| Net Profit for the period | 118.48 | N.A. | N.A. |
| Paid-up equity share capital | 52.70 | N.A. | N.A. |
| Reserves excluding revaluation reserves | 846.24 | N.A. | N.A. |

* Financials not disclosed as reporting for the relevant fiscal years has not been completed.

Source : Audited Financial Statements for the year ended March 31, 2024.

7. Trading Status in the scrip of the issuer

Company's Equity Shares are listed on the BSE Limited and the National Stock Exchange of India Limited .

| Particulars | Status |
|--|--------------------|
| (i) at the end of 1st FY (March 31, 2024) | Frequently traded. |
| (ii) at the end of 2nd FY (March 31, 2025)* | N.A. |
| (iii) at the end of 3rd FY (March 31, 2026)* | N.A. |

* Trading status not disclosed as reporting for the relevant fiscal years has not been completed

8. Change in Directors of issuer from the disclosures in the offer document

| Particulars | Name of the Director | Appointed / Resigned |
|--|----------------------|----------------------|
| (i) at the end of 1st FY (March 31, 2024) | Nil | Nil |
| (ii) at the end of 2nd FY (March 31, 2025)* | N.A. | N.A. |
| (iii) at the end of 3rd FY (March 31, 2026)* | N.A. | N.A. |

*Changes in directors not disclosed as reporting for relevant fiscal years has not been completed

Following are the changes in the directors as on 30th May 2024 for FY 2024-2025-

- 1) Resignation of Mr. Mr. Bishan Singh Rawat (DIN: 08139018) from the position of Independent Director of the Company, with effect from close of business hours on April 01, 2024.
- 2) Appointment of Mr. Deven Bipin Shah (DIN: 00604010) as an additional Director designated as an Independent Director with effect from May 27, 2024.

9. Status of implementation of project/ commencement of commercial production

(i) As disclosed in the offer document:

Schedule of implementation Setting up the New Valsad Unit –

| No. | Particulars | Expected date of commencement | Expected date of completion |
|-----|--------------------------------------|-------------------------------|-----------------------------|
| 1. | Acquisition of land | October 5, 2023 | October 16, 2023 |
| 2. | Government approval for construction | February 2024 | March 2024 |
| 3. | Final approval of construction plan | March 2024 | March 2024 |
| 4. | Construction of the New Valsad Unit | April 2024 | February 2025 |
| 5. | Installation of machinery and moulds | March 2025 | June 2025 |
| 6. | Commencement of production | July 2025 | July 2025 |

(ii) Actual implementation:

The implementation for Setting up the New Valsad Unit is on Schedule.

(iii) Reasons for delay in implementation, if any: None.

Source : Monitoring Agency Report dated May,14, 2024 for the quarter ended March, 31, 2024.

10. Status of utilization of issue proceeds

(i) As disclosed in the offer document:

The Net Proceeds are proposed to be utilized by the Company and the Subsidiaries as follows: (in ₹ million)

| Sr. No. | Particulars | Total Estimated Cost | Amt. deployed as on Oct. 27, 2023 | Estimated Utilization From Net Proceeds | Estimated Schedule of Deployment of Net Proceeds in | | |
|---------|--|----------------------|-----------------------------------|---|---|---------------------|---------------------|
| | | | | | Financial Year 2024 | Financial Year 2025 | Financial Year 2026 |
| 1 | Setting up the New Valsad Unit | 628.66 | 68.73 | 559.93 | Nil | 411.63 | 148.30 |
| 2 | Funding capital expenditure of the Company and the Subsidiary | 867.48 | Nil | 867.48 | 271.62 | 595.86 | Nil |
| 3 | Funding working capital requirements of the Company and the Subsidiaries | 770.00 | Nil | 770.00 | 440.00 | 330.00 | Nil |
| 4 | Repayment/pre-payment, in part or full, of certain | 430.00 | Nil | 430.00 | 430.00 | Nil | Nil |

| | | | | | | | |
|---|---|-----------------|--------------|-----------------|-----------------|-----------------|---------------|
| | borrowings availed by the Company and Subsidiaries | | | | | | |
| 5 | General corporate purposes | 102.96 | Nil | 102.96 | 50.00 | 52.96 | Nil |
| 6 | Net Proceeds | 2,799.10 | 68.73 | 2,730.37 | 1,191.62 | 1,390.45 | 148.30 |

(ii)

Actual utilization:**(in millions)**

| Sr. No. | Item Head | Amt. as proposed in the offer document | Amount utilized | | | Total unutilized amount | Comments of the Monitoring Agency |
|------------|---|--|---|--------------------------|------------------------------------|-------------------------------|---|
| | | | As at the beginning of the quarter | During the quarter | At the end of the quarter | | |
| 1 | Setting up the New Valsad Unit | 559.93 | Nil | 13.89 | 13.89 | 546.04 | The issuer has utilized part portion of the proceeds as a reimbursement for this expenditure which was funded through its Internal Accruals |
| 2 | Funding capital expenditure for Company and Subsidiary | 867.48 | Nil | 279.64 | 279.64 | 587.84 | The issuer has utilized part portion of the proceeds as a reimbursement for this expenditure which was funded through its Internal Accruals |
| 3 | Funding working capital requirements for Company and Subsidiaries | 770.00 | 440.00 | Nil | 440.00 | 330.00 | |
| 4 | Repayment/prepayment, in part or full, of certain borrowings availed by Company and Subsidiaries, | 430.00 | 430.00 | Nil | 430.00 | Nil | |
| 5 | General Corporate Purpose | 102.96 | Nil | 82.44 | 82.44 | 20.52 | The issuer has utilized part portion of the |

| | | | | | | | |
|--------------|--|----------------|---------------|---------------|----------------|----------------|---|
| | | | | | | | proceeds as a reimbursement for this expenditure which was funded through its Internal Accruals |
| Total | | 2730.37 | 870.00 | 375.97 | 1245.97 | 1484.40 | |

The unutilized amount has been deployed in fixed deposit as follows :

| Sr. No. | Type of instrument and name of the entity invested in | Amt. invested earning [Rs. million] | Return on Investment [%] |
|---------|---|-------------------------------------|--------------------------|
| 1 | Fixed deposit with Axis Bank | 318.10 | 7.70% |
| 2 | Fixed deposit with Axis Bank | 250.00 | 7.30% |
| 3 | Fixed deposit with Axis Bank | 250.00 | 7.30% |
| 4 | Fixed deposit with Axis Bank | 150.00 | 7.70% |
| 5 | Fixed deposit with Axis Bank | 516.30 | 7.75% |
| | Total | 1484.40 | |

(iii) **Reasons for deviation, if any:** No deviation - The utilization of the issuance proceeds is in line with the objects of the issue.

Source : Monitoring Agency Report dated May,14, 2024 for the quarter ended March, 31, 2024.

11. Comments of monitoring agency, if applicable

| | |
|--|---|
| (a) Comments on use of funds | No deviation - The utilization of the issuance proceeds is in line with the objects of the issue. |
| (b) Comments on deviation, if any, in the use of proceeds of the issue from the objects stated in the offer document | |
| (c) Any other reservations expressed by the monitoring agency about the end use of funds | |

Source : Monitoring Agency Report dated May,14, 2024 for the quarter ended March, 31, 2024.

12. Pricing Data

Issue Price (Rs.): 304 /-
 Designated Stock Exchange: NSE
 Listing Date: December 01, 2023

| Price parameters | At close of listing day (i.e. December 01, 2023) | At close of 30th calendar day from listing day# | At close of 90th calendar day from listing day | As at the end of 1st FY after the listing of the issue (March 31, 2024) | | |
|---|--|---|--|---|----------------------|---------------------|
| | | | | Closing price | High (during the FY) | Low (during the FY) |
| Market Price on Designated Stock Exchange (NSE) | 450.9 | 348.65 | 277.75 | 250.85 | 514.40 | 246.10 |
| NIFTY 50 | 20,267.9 | 21,731.40 | 21951.15 | 22326.90 | 22526.60 | 17312.75 |
| Sectoral Index | NA | NA | NA | NA | NA | NA |

| Price parameters | As at the end of 2nd FY after the listing of the issue (March 31, 2025)* | | | As at the end of 3rd FY after the listing of the issue (March 31, 2026)* | | |
|---|--|----------------------|---------------------|--|----------------------|---------------------|
| | Closing price | High (during the FY) | Low (during the FY) | Closing price | High (during the FY) | Low (during the FY) |
| Market Price on Designated Stock Exchange (NSE) | NA | NA | NA | NA | NA | NA |
| NIFTY 50 | NA | NA | NA | NA | NA | NA |
| Sectoral Index | NA | NA | NA | NA | NA | NA |

Source: NSE website

* Pricing Data not disclosed as reporting for the relevant fiscal years has not been completed

30th Day being 30th December, 2023 i.e Saturday, hence the data has been taken previous working day Friday i.e. 29th December, 2023

13. Basis for Issue Price (Source of accounting ratios of peer group and industry average may be indicated; Source of the accounting ratios may generally be the same, however in case of different sources, reasons for the same may be indicated)

| Accounting ratio | | As disclosed in the offer document ⁽¹⁾ | At the end of 1st FY (March 31, 2024) ⁽³⁾ | At the end of 2nd FY (March 31, 2025) ⁽²⁾ | At the end of 3rd FY (March 31, 2026) ⁽²⁾ |
|------------------|-------------------------|---|--|--|--|
| EPS | Issuer: | -- | -- | -- | -- |
| | Consolidated (Basic) | 12.66 | 12.19 | N.A | N.A |
| | Consolidated (Diluted) | 12.66 | 12.19 | N.A | N.A |
| | Peer Group : | -- | -- | -- | -- |
| | Linc Limited | Basic – 25.15 Diluted –25.15 | Basic – 23.00 Diluted –23.00 | N.A | N.A |
| | Kokuyo Camlin Limited | Basic – 2.44 Diluted – 2.44 | Basic – 4.37 Diluted – 4.37 | N.A | N.A |
| | Cello World Limited | Basic – 13.65 Diluted – 13.17 | Basic – 15.60 Diluted – 15.60 | N.A | N.A |
| | Industry Avg: | NA | N.A | N.A | N.A |
| P/E | Issuer: | -- | -- | -- | -- |
| | Consolidated (Basic) | 24.01 | 20.58 | N.A | N.A |
| | Peer Group [†] | -- | -- | -- | -- |
| | Linc Limited | 28.09 | 22.32 | N.A | N.A |
| | Kokuyo Camlin Limited | 65.98 | 25.39 | N.A | N.A |

| | | | | | |
|----------|-----------------------|--------|--------|-----|-----|
| | Cello World Limited | 59.32 | 49.66 | N.A | N.A |
| | Industry Composite: | 51.13 | N.A | N.A | N.A |
| RoNW (%) | Issuer: | -- | -- | -- | -- |
| | Consolidated | 31.17 | 13.18 | N.A | N.A |
| | Peer Group: | -- | -- | -- | -- |
| | Linc Limited | 23.37 | 16.83 | N.A | N.A |
| | Kokuyo Camlin Limited | 9.74 | 14.79 | N.A | N.A |
| | Cello World Limited | 23.17 | 30.99 | N.A | N.A |
| | Industry Composite: | NA | N.A | N.A | N.A |
| NAV | Issuer: | -- | -- | -- | -- |
| | Consolidated | 46.9 | 34.12 | N.A | N.A |
| | Peer Group: | -- | -- | -- | -- |
| | Linc Limited | 119.17 | 137.45 | N.A | N.A |
| | Kokuyo Camlin Limited | 26.18 | 29.54 | N.A | N.A |
| | Cello World Limited | 56.84 | 54.15 | N.A | N.A |
| | Industry Avg: | NA | N.A | N.A | N.A |

Notes:

- (1) Prospectus dated November 25, 2023.
- (2) Not disclosed as the reporting for the relevant fiscal years has not been completed.
- (3) Source : Audited Financial Statements for the year ended March 31, 2024 submitted to Stock Exchange

14. Any other material information

| Particulars | Date |
|--|------------|
| The Company has informed about the receipt of show cause notice from the Commissionerate of Taxes Government of Gujarat, India Assistant Commissioner of State Tax Ghatak 70 (VALSAD) Division 8 (SUR) | 17-01-2024 |
| The Company has informed about the receipt of show cause notice from the Office of Deputy Commissioner State Tax, Vikasnagar, Dehradun, Uttarakhand | 01-02-2024 |
| The Company has informed about the receipt of show cause notice from the Commissionerate of Taxes Government of Gujarat, India State Tax Officer Ghatak 63 (SURAT) Division 7 (SUR) | 19-02-2024 |
| The Company has informed about the payment of Rs. 17,00,665/- (including interest – Rs. 3,88,947/- and penalty- Rs. 1,19,246/-) towards demand show cause notice received from the Assistant Commissioner of State Tax, Ghatak 70 (Valsad) Division 8 (Surat). The Company further informed that based on the submission company has received an order for dropping the proceedings under Section. 73/74 of the CGST Act, 2017 (Reference No. ZD2403240133490), henceforth the matter has closed. | 08-03-2024 |
| The Company has informed about the filing of Compounding Application before the Senior Inspector, Office of the Senior Inspector, Legal Metrology (Weights and Measurements), Sultanpur, Uttar Pradesh. The Company further informed that Senior Inspector vide its order dated March 05, 2024 (received on March 11, 2024) has agreed to compound the alleged offences by paying the compounding fees of Rs. 50,000/- (Rupees Fifty Thousand Only) by the Company | 11-03-2024 |
| The Company has informed about the change in CIN of the Company from U51100MH2016PLC284727 to L51100MH2016PLC28472 pursuant to change of status from “Unlisted” to “Listed” | 21-03-2024 |
| The Company has informed about the receipt of Final audit report from the Office of the Commissioner, Central Goods and Services Tax and Central Excise, Audit, Surat mentioning disallowance of ITC for the periods FY 2017-18 to FY 202122 amounting to tax– Rs. 2,35,544/- plus interest- Rs. 2,31,680/- and penalty- Rs. 1,71,182/- aggregating to Rs. 6,38,406/- | 17-04-2024 |
| The Company has informed about the receipt of intimation of tax ascertained as being payable under Section 73 of CGST Act, 2017 from Assistant Commissioner of State Tax, Ghatak 70 (Valsad) Range 18 (Valsad) Division 8 (Surat) | 24-04-2024 |
| The Company has informed about the order received from the Office of Deputy Commissioner State Tax, Vikas Nagar, Sector-2: Dehradun, Uttarakhand for payment of tax for the FY 2018-19 aggregating to Rs. 24,62,014 /- including penalty and interest. | 30-04-2024 |
| The Company has informed about the order received from the Office of Deputy Commissioner State Tax, Vikas Nagar, Sector-2: Dehradun, Uttarakhand for payment of tax for the FY 2018-19 aggregating to Rs. 31,37,661/- including penalty and interest. | 30-04-2024 |
| The Company has informed about the receiving the prestigious Export Award- FIRST Position in the Writing Instruments (excluding parts) Category by The Plastics Export Promotion Council (sponsored by the Ministry of Commerce & Industry, Dept. of Commerce, Government of India) for FY 2021-22 and FY 2022-23. | 07-05-2024 |
| The Company has informed about the performing a bhumi puja for initiating the Construction Work of total built-up area of approximately 180,000 square feet comprising the manufacturing facility, a warehouse and an administrative block for its New Valsad Factory Unit at Valsad, Gujarat. The Company further informed about the performing Puja at its new warehouse in Daman comprising of approximately 50,000 square feet. | 11-05-2024 |
| The Company has informed about as follows : 1) Appointment of M/s KPUB & Co., Practicing Company Secretaries as the Secretarial Auditor for the FY 2023-24 and for issuing Secretarial Compliance Report for FY 2023-24. 2) Approval of Board for change in the registered office of the Company from 63 B/C, Government Industrial Estate Charkop, Kandivali West, Mumbai 400067 to Flair House, Plot No. A/64, Cross Road – A, Marol Ind. Area, MIDC, Andheri (East), Mumbai – 400093, India within the local limits with effect from July 30, 2024. | 27-05-2024 |
| The Company has informed that it has received two summary of Show Cause Notice Deputy Commissioner of State Tax, Vikasnagar, Dehradun under Section 73 of CGST Act, 2017 1. for an amount of Rs. 6,24,488/- (which includes tax- Rs. 3,39,912/-, interest - Rs. 2,50,586/- and penalty - Rs. 33,990/-) for the FY 2019-20. 2. for an amount of Rs. 2,57,916/- (which includes tax- Rs. 1,40,385/-, interest - Rs. 1,03,493/- and penalty - Rs. 14,038/-) for the FY 2019-20. | 30-05-2024 |

Source- Stock Exchange Filings

All the above information has been updated till May 30, 2024, unless indicated otherwise.

NUVAMA