

FIFC, 10th Floor,
Plot No. C-54 & C-55 G Block,
Bandra Kurla Complex
Mumbai 400 098, India.



Commercial Bank
A Division of Citibank, N.A. India

Date: 23rd June, 2023

To
The Board of Directors
Flair Writing Industries Limited
63 B/C, Government Industrial Estate
Charkop, Kandivali West
Mumbai 400 067
Maharashtra, India

Dear Madam/Sir,

Re: Proposed fund-raising by Flair Writing Industries Limited (the “Company”)

We refer to your letter dated 16th June, 2023 in relation to the Offer (the “**Request Letter**”) and loans and other credit facilities availed by the Company pursuant to the Loan Documentation. We hereby confirm that other than the Loan Documentation set out in **Annexure I** to the Request Letter, there are no agreements or other documents executed and subsisting as on the date hereof in relation to any loans or credit facilities sanctioned by us in favour of the Company which are currently outstanding.

We have been informed that in the event that the Company proceeds to undertake the Offer, it could result in, among other things:

- fresh issue of Equity Shares by the Company and/or transfer of Equity Shares of the Company in the Offer by the Selling Shareholders, including the promoters;
- change in the capital structure of the Company;
- change in the equity, constitution, shareholding pattern, ownership and controlling interest in the Company, which may include reduction or dilution in the shareholding of the promoters and other existing shareholders of the Company or lock-in of shareholding of the promoters;
- amendments to the memorandum of association and articles of association of the Company;
- changes in the composition of the board of directors and committees and the key managerial personnel of the Company, including appointment of directors in compliance with the Companies Act, 2013 and the rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended;
- deposit of application monies and proceeds from the Offer in designated accounts maintained with other banks;
- use of proceeds of the Offer towards objects as stated in the draft red herring prospectus, the red herring prospectus and the prospectus (together with any other document, form or instrument as may be required in connection with the proposed Offer, collectively, the “**Offer Documents**”), which may include:
 - [prepayment or repayment of all or a portion of certain loans and advances taken by the Company (including all or a portion of the loans and credit facilities availed from us)];
 - investment in the subsidiaries of the Company;
 - funding certain capital expenditure (purchase of machinery, equipment, technology etc.) of the Company and its subsidiaries;
 - funding of the Company’s consolidated working capital requirements;
 - general corporate purposes; and/or
 - other object as may be decided by the board of directors; and
 - undertaking any other activities as may be required in relation to the Offer

(collectively, the “**Actions**”).



We have no objection to, and hereby grant our unconditional consent to: (i) the Offer; (ii) the Actions; (iii) the inclusion and disclosure of the terms and conditions of the Loan Documentation along with the relevant details of the outstanding amount(s) and our name as a lender to the Company in the Offer Documents; and (iv) any acts and deeds, including the execution of any other documents, forms and instruments, in connection with the Offer and completion thereof.

We confirm that as of the date of this letter:

- a) the Company has complied with the terms and conditions of the Loan Documentation, including any covenants or restrictions imposed on the Company governing any borrowings taken from us, including but not limited to, the Loan Documentation;
- b) no event of delay, default, cross-default, rollover, rescheduling or restructuring of any indebtedness or trigger event has occurred under the Loan Documentation;
- c) we have not (i) issued any notices of default (including cross-default) or sought any prepayments, early redemption, accelerations in repayment or lump sum payments or amounts towards penalty or fines in connection with the Loan Documentation, or (ii) sought termination, suspension or cancellation of any loan or credit facilities availed by the Company, or (iii) sought conversion of any borrowed amounts under the Loan Documentation into equity share capital of the Company, or (iv) invoked any of our rights in relation to the security provided in relation to the borrowings till date;
- d) the accounts held by the Company with us are regular and there have been no current or past defaults on account of repayment of interest or principal or of any other provision or condition of the Loan Documentation;
- e) there is no pending litigation, dispute, or notice initiated or issued by us against the Company or against any of the directors or promoters of the Company in relation to any of the Company's borrowings as on the date of this consent. We are not likely to initiate, any litigation, proceedings or disputes against the Company or against any of its directors or promoters;
- f) we have not issued notices to the Company or any of its promoters, or its directors in connection with the Loan Documentation, or initiated attachment of the Company's or any of its directors' or promoters' properties in connection with the Loan Documentation; and
- g) we have not declared the Company, its promoters or directors as wilful defaulters or fraudulent borrowers.

We hereby waive any breaches of, or non-compliance with, the terms and conditions of the Loan Documentation that may have occurred in the past and/or that are currently subsisting. We also hereby waive any of our rights under any Loan Documentation in relation to the loans that may be triggered as a result of any action or other step taken in connection with the proposed Offer or that may have occurred in the past and/or that are currently subsisting.

Annexure I



List of documents pertaining to loans/credit facilities availed by the Company:

| S. No. | Particulars of Loans/Credit Facilities | Sanctioned amount (₹ million) | | Outstanding amount as at 31st May, 2023 | | | Rate of interest (%) | Term/Tenure |
|--------|--|-------------------------------|----------------|---|--|-------------------|----------------------|--------------------|
| | | Fund - based | Non-fund based | Principa l amount (₹ million) | Interest and other amounts (₹ million) | Total (₹ million) | | |
| 1. | Cash Credit | 885 | | 189.27 | NIL | 189.27 | 9.50 | Revolving 365 days |
| 2. | Term Loan | 250 | | 16.77 | NIL | 16.77 | 10.37 | 5 years |
| 3. | Term Loan | 210 | | NIL | NIL | Not disbursed yet | Not Applicable | 5 years |
| | Total | 1345 | | 206.04 | NIL | 206.04 | | |