
Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) 801 - 804, Wing A, Building No 3 Inspire BKC, G Block Bandra Kurla Complex, Bandra East Mumbai 400 051 Maharashtra, India Tel: +91 22 4009 4400 E-mail: Flair.IPO2023@nuvama.com Website: www.nuvama.com Investor grievance e-mail: customerservice.mb@nuvama.com SEBI registration no.: INM000013004 CIN: U67110MH1993PLC344634	Axis Capital Limited 1 st Floor, Axis House, C-2 Wadia International Centre Pandurang Budhkar Marg, Worli Mumbai 400 025 Maharashtra, India Tel: +91 22 4325 2183 E-mail: fwil.ipo@axiscap.in Website: www.axiscapital.co.in Investor grievance e-mail: complaints@axiscap.in SEBI registration no.: INM000012029 CIN: U51900MH2005PLC157853

August 28, 2023

To,

Schneider Schreibgeräte GmbH
 Schwarzenbach 9,
 78144 Schramberg,
 Germany

Kind Attention: Mr. Christian Schneider, Managing Director

Dear Sir,

Re: Proposed initial public offering of equity shares of face value of ₹ 5 each (“Equity Shares”) by Flair Writing Industries Limited (the “Company”) and such offering, (the “Offer”)

Reference: Your email dated August 20, 2023, pertaining to the complaint regarding the Company, dated August 18, 2023, as received by us (“**Schneider Complaint**”)

With respect to the Schneider Complaint, the response from the Company is enclosed as **Annexure A**.

We trust this clarifies the contentions raised in the Schneider Complaint.

Should you require any further information or clarifications, please feel free to contact any of the following officials of Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited):

Contact Person	Contact no.	Email
Neetu Ranka	+91 98198 38110	neetu.ranka@nuvama.com
Manish Tejwani	+91 78209 71319	manish.tejwani@nuvama.com



All capitalised terms used herein and not specifically defined shall have the same meanings ascribed to such terms in the draft red herring prospectus of the Company, dated July 14, 2023, filed with the Securities and Exchange Board of India on July 15, 2023.

Thanking you,

Sincerely,

Encl: As above

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<p>Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) 801 - 804, Wing A, Building No 3 Inspire BKC, G Block Bandra Kurla Complex, Bandra East Mumbai 400 051 Maharashtra, India Tel: +91 22 4009 4400 E-mail: Flair.IPO2023@nuvama.com Website: www.nuvama.com Investor grievance e-mail: customerservice.mb@nuvama.com SEBI registration no.: INM000013004 CIN: U67110MH1993PLC344634</p>	<p>Axis Capital Limited 1st Floor, Axis House, C-2 Wadia International Centre Pandurang Budhkar Marg, Worli Mumbai 400 025 Maharashtra, India Tel: +91 22 4325 2183 E-mail: fwil.ipo@axiscap.in Website: www.axiscapital.co.in Investor grievance e-mail: complaints@axiscap.in SEBI registration no.: INM000012029 CIN: U51900MH2005PLC157853</p>



This signature page forms an integral part of the letter from the book running lead managers for the initial public offering by Flair Writing Industries Limited.

For and on behalf of Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)

Neetu




Name: Neetu Ranka
Designation: ED and Co-Head, ECM – Corporate Finance
Contact Number: +91 98198 38110
E-mail: neetu.ranka@nuvama.com

	
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This signature page forms an integral part of the letter from the book running lead managers for the initial public offering by Flair Writing Industries Limited.

For and on behalf of Axis Capital Limited




Name: Pratik Pednekar
Designation: Assistant Vice President
Contact Number: +91 98192 63346
E-mail: pratik.pednekar@axiscap.com

Annexure A

Copy of response regarding the Schneider Complaint from the Company

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Flair Writing Industries Limited

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

CIN NO.: U51100MH2016PLC284727

- Flair House, Plot No. 63 BC, Kandivali Co-op. Ind. Estate Ltd., Charkop, Kandivali (W), Mumbai 400 067, INDIA
- +91 22 2868 3876 / 06, 4203 0405, 2967 6004/5/6

August 26, 2023

To,

Christian Schneider
Managing Director
Schneider Schreibgeräte GmbH
Tennenbronn Schwarzenbach 9
78144 Schramberg, Germany

Re: Proposed initial public offering of the equity shares of face value of ₹5 each (“Equity Shares”) of Flair Writing Industries Limited (the “Company” and such offering, the “Offer”)

Dear Sir,

We write to you with reference to your letters dated August 18, 2023 (“**Complaint**”) to Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) and Axis Capital Limited (together, the “**Book Running Lead Managers**”)

At the outset, the insinuations made in the Complaint are erroneous, baseless, unsubstantiated and without merit. We deny all allegations made in the Complaint in totality.

Our Company has made all adequate disclosures required under applicable law in the draft red herring prospectus dated July 14, 2023 (the “**DRHP**”) filed with the Securities and Exchange Board of India (the “**SEBI**”) on July 15, 2023, in compliance with the disclosure obligations and requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) for potential investors to make an informed decision in respect of their investment in the Equity Shares and the Offer.

With a view to dispel the Complaint on merits, the Company without prejudice to its rights and contentions, makes the following submissions:

- In relation to the allegation that use of suffix “Germany” with Hauser brand by our Company amounts to intentional misrepresentation to our consumers or that such usage amounts to luring Indian customers to pay a premium price and believe that these products are based on German technology, we draw your attention to the following extract of the disclosure in “*Our Business—Description of our Business—Brands and Products—Hauser*” on page 175 of the DRHP:

“We are offering “Hauser” writing products since 2014. A predecessor entity, NPPI, a partnership firm which converted into FPPIPL and subsequently merged into our Company pursuant to the Scheme, purchased certain “Hauser” trademarks pursuant to an agreement for sale of brand dated March 31, 2014 (the “Hauser Brand Agreement”) with HAUSER GmbH, as well as deeds of assignment dated May 23, 2014 and September 30, 2014. The agreement is governed by Swiss law. Pursuant to the license agreement dated October 27, 2014, NPPI has granted a limited license of certain Hauser trademarks back to HAUSER GmbH with respect to various writing instruments for





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- +91 22 2868 3876 / 06, 4203 0405, 2967 6004/5/6

a period of 20 years (subject to automatic renewal for additional periods of 10 years until termination) for certain territories in Europe.”

Therefore, it is clear that, pursuant to the Hauser Brand Agreement, certain Hauser trademarks registered with the German Patent and Trademark Office were acquired by our predecessor-in-interest which has subsequently been merged into our Company. Furthermore, our Company has



consolidated its rights in the above trademarks by registering the trademark “**HAUSER** Germany” in Class 16 under the Trade Marks Act, 1999 in India.

We do not claim that our Hauser range of products are manufactured in Germany. In this regard, our packaging clearly mentions the place of manufacture as India.

We use high-quality machines and moulds imported from countries such as Germany, South Korea, China, Spain and Switzerland, in addition to machines and moulds procured from within India, which enables us to engage in high precision manufacturing. The allegation in the Complaint indicating that products manufactured in India (and not in Germany) would not be of higher quality is derogatory to Indian manufacturers. Therefore, in view of the above, our Company is entitled to use the “Hauser Germany” brand for our products and manifests that this does not result in any misrepresentation to our consumers. According to CRISIL, our Company is the largest player in pens segment in India and occupies a market share of approximately 9% in the overall writing and creative instrument industry in India, as of March 31, 2023. We have been recognised for our leading position in the export business for our writing and creative instruments and have received awards such as “Top Exporter” from the Plastics Export Promotion Council, a plastics industry body sponsored by the Ministry of Commerce & Industry, Government of India for writing instruments (excluding parts) category for the periods 2019-20 and 2020-21.

- ii. We reiterate that we do not manufacture and market our Hauser products with minor deviations from our Flair products, and that the allegation in the Complaint is false and has no reason or ground, whatsoever. Our emphasis on innovation and design enables us to manufacture and introduce a wide range of products. We have the most comprehensive product portfolio in the writing and creative instruments industry across various price points and consumer segments in India. We focus on developing designs that meet consumer requirements based on market feedback and such designs are unique due to various factors including the clips, barrels, tips, cap designs, foil colors, ink and grips used in our products.
- iii. In relation to reference given to the consumer complaint dated October 31, 2018 (“**Consumer Complaint**”), filed by Mr. Nripendra Kashyap against our Company before the Honorable State Consumer Dispute Redressal Commission (the “**Commission**”) at New Delhi, we reiterate that our Company has made adequate disclosures in “*Risk Factors—Internal Risks—16. There are legal proceedings pending involving our Company, our Promoters and our Directors which if determined unfavorably, may have a material adverse effect on our reputation, business, operations, prospects or financial results*” on page 39 of the DRHP, detailing the allegations made in the Consumer Complaint. We believe that the Consumer Complaint is misconceived, groundless and unsustainable in law. We are contesting the allegations before the Commission and the matter is



MUMBAI	DAMAN	DAMAN	DAMAN	DEHRADUN	MUMBAI
Unit I, Trinity Ind. Park, Survey No.14,15,16, National Highway 8, Naigaon (E), Palghar 401 208, Maharashtra, India	Unit II, Survey No. 709/12 & 18, Somnath Road, Dabhel, Damam 396 210, India	Unit III, Survey No.377/1, Plot No.19 & 21, Zari Causeway Road, Kachigam, Damam 396 210. India	Unit IV, Survey No. 370/2 A, Vapi Road, Kachigam, Damam 396 210. India	Khasra No. 1049/2, 1050/1, Twin Industrial Estate, Central Hope Town, Selaqui, Dehradun 248 011, Uttarakhand, India	Survey No. 253, Village, Shambhar Talao, National Highway 8, Valsad 396 375, Gujarat, India



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currently pending. Therefore, it is clear that your Complaint attempts to misconstrue the disclosure in the DRHP by placing selective reliance on the above disclosure.

- iv. Our Company categorically denies the allegation that the turnover generated by our Company under our Hauser brand in India is done by way of duping and cheating the consumers by inappropriate and unethical misrepresentations and reiterates its commitment to transparency and accountability. We strongly disagree with such allegation, as we find it to be without merit. We urge you to refrain from making malicious and defamatory statements.

We trust this clarifies the contentions raised in the Complaint. We request you to refrain from misleading and/or misguiding the general public and the authorities in relation to the proposed Offer.

Please note that this response does not constitute a waiver of the rights and remedies available to the Company under law, all of which are hereby expressly reserved.

Thanking you,

For and on behalf of **Flair Writing Industries Limited**

Vishal Kishor Chanda



Vishal Kishor Chanda
Company Secretary and the Compliance Officer

CC:

Book Running Lead Managers

Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)

801 - 804, Wing A, Building No 3
Inspire BKC, G Block
Bandra Kurla Complex
Bandra East
Mumbai – 400 051
Maharashtra, India

Axis Capital Limited

1st Floor, Axis House
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Maharashtra, India