**DUE DILIGENCE CERTIFICATE**

**Date:** July 30, 2024

To,

The Regional Director

**Securities and Exchange Board of India**

Plot No.C4-A, “G” Block

Bandra- Kurla Complex, Bandra (East),

Mumbai – 400 051, Maharashtra, India.

Dear Sir/Madam,

**SUB: SUBMISSION OF RED HERRING PROSPECTUS OF EFFWA INFRA & RESEARCH LIMITED**

**REFERENCE: INITIAL PUBLIC OFFER OF EFFWA INFRA & RESEARCH LIMITED OF UPTO 63,52,800 EQUITY SHARES (CONSIST OF 53,16,800 EQUITY SHARES OF FRESH OFFER AND 9,36,000 EQUITY SHARES OF OFFER FOR SALE BY SELLING SHAREHOLDERS) OF FACE VALUE ₹10/- EACH ON SME PLATFORM OF NSE (“NSE EMERGE”)**

**WE CONFIRM THAT;**

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALIZING THE RED HERRING PROSPECTUS OF THE SUBJECT OFFER;**
2. **ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE OFFEROR, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE OFFEROR, WE CONFIRM THAT:**
   1. **THE RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE OFFER: NOT APPLICABLE PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2022, DRAFT RED HERRING RED HERRING PROSPECTUS SHALL NOT BE SUBMITTED TO SEBI**
   2. **ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE OFFER AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
   3. **THE MATERIAL DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
3. **BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE, SUCH REGISTRATION IS VALID.**
4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS: COMPLIED**
5. **WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS. - COMPLIED**
6. **ALL APPLICABLE PROVISIONS OF THESE REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.**
7. **ALL APPLICABLE PROVISIONS OF THESE REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTERS’ CONTRIBUTION PRIOR TO OPENING OF THE OFFER, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS’ CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER AND THAT THE AUDITORS’ CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS’ CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE OFFEROR ALONG WITH THE PROCEEDS OF THE OFFER.** - **NOT APPLICABLE**
8. **NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE OFFER ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE OFFEROR SPECIFICALLY CONTAINS THIS CONDITION.** – **NOTED FOR COMPLIANCE**
9. **THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE OFFEROR FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE ‘MAIN OBJECTS’ IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE OFFEROR AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT SINCE INCORPORATION ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION. –COMPLIED**
10. **FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:**
11. **AN UNDERTAKING FROM THE OFFEROR THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE OFFEROR, AND**
12. **AN UNDERTAKING FROM THE OFFEROR THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD.**
13. **WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. – NOTED FOR COMPLIANCE.**
14. **IF APPLICABLE, THE ENTITY IS ELIGIBLE TO LIST ON INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THESE REGULATIONS. – NOT APPLICABLE**

**WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE OFFEROR, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE RED HERRING PROSPECTUS HAVE BEEN ENTERED INTO BY THE OFFEROR IN ACCORDANCE WITH APPLICABLE LAWS.**

**WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THESE REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

**ADDITIONAL CONFIRMATION AS PER FORM G OF SEBI ICDR REGULATIONS**

**WE CONFIRM THAT:**

* + 1. **NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
    2. **THE ABRIDGED PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THESE REGULATIONS.**
    3. **ALL MATERIAL DISCLOSURES IN RESPECT OF THE OFFEROR HAVE BEEN MADE IN THE RED HERRING PROSPECTUS AND THAT ANY MATERIAL DEVELOPMENT IN THE OFFER OR RELATING TO THE OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE- OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER SHALL BE GIVEN.**

* + 1. **AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALIZATION OF THE SPECIFIED SECURITIES OF THE OFFEROR.**
    2. **THE UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THESE REGULATIONS HAVE BEEN MADE.**
    3. **THE OFFEROR HAS REDRESSED AT LEAST NINETY FIVE PERCENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES OR WITH THE SME EXCHANGE.**

Thanking You.

Yours faithfully,

**For Shreni Shares Limited**

***(Formerly known as Shreni Shares Private Limited)***

**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Mr. Tushar Rathod**

**Designation:** Assistant Manager

**Place:** Mumbai

**NOTE ON THE PROCESS OF DUE DILIGENCE OF EFFWA INFRA & RESEARCH LIMITED**

We have been appointed as the Book Running Lead Manager for the proposed Initial Public Offer of **EFFWA INFRA & RESEARCH LIMITED (“EFFWA” OR THE “COMPANY” OR THE “OFFEROR”).** As mandated under the SEBI (ICDR) Regulations, 2018, we herewith submit a brief note on the diligence process adopted by us:

**Current business background, about the Operational Structure and the Business Strategy:**

We had visited the registered office of the Offeror Company situated at G. No. 7, Vardhman Industrial Complex, Lal

Bahadur Shastri Marg, Gokul Nagar, Thane West, Thane – 400601, Maharashtra, India.

1. We have inspected the Office Infrastructure, Staffing Systems and procedures etc. w.r.t. the Company’s business. We also have examined various documents including those relating to litigations, approvals, disputes with statutory authorities etc. and other material documents in connection with the finalization of the Red Herring Prospectus pertaining to the said offer.
2. We have had discussions with the Board of Directors, Promoters, KMP’s including the support staff regarding the business operations and related activities of the Company and gone through other documents / websites in order to further understand the actual procedures of business.

We have disclosed the relevant details in the Section titled “*Our Business*” in the Red Herring Prospectus as explained to us by the Management of the Company.

**Risk Factors:**

1. We have studied the factors related to Company operations. While risks are an inherent part of any business, we have put forth the risk associated with the Company and its business operations. We believe this with reasonable certainty that almost all material risks (which we are aware of and have been made aware of and have discovered during our due diligence process) have been disclosed in the Red Herring Prospectus under the head “*Risk Factors*” in the Red Herring Prospectus. We have further bifurcated the Risks into Risks pertaining to the Internal Risk Factors of the Company and External Risk Factors.

**Promoters’ Background**

1. Ms. Dr. Varsha Subhash Kamal and Mr. Subhash Ramavtar Kamal are the Promoters of the Company.
2. The Company has appointed M/s. Asha Agarwal & Associates, as Legal Advisors to the Offer to perform the Due Diligence in all Legal and Statutory aspects of the Company as well as its Promoter, Promoter Group, Promoter group entities. Detailed Legal Due Diligence Reports/Certificate on the legal matters pertaining to the said persons and entities has been obtained from them. We had discussion with Legal Advisors on these matters along with Management of the Company and accordingly disclosures have been made in the Red Herring Prospectus.

**Company History and Track Records and etc.:**

1. We have interacted with the Statutory Auditors and Peer review Auditor of the Company M/s. Gor & Savla, Chartered Accountants and M/S. A Y & CO., Chartered Accountants respectively about the aspects of Finance and aspects relating to the Restated Audited Financial Statements of the Company for the financial years ended on March 31, 2024, 2023 and 2022.
2. We have had elaborate discussions with the Legal Advisors to the Offer with respect to the legal matters and statutory aspects pertaining to the Company, Promoter, Promoter Group and the Offer.
3. We examined the MoA and AoA of the Company, relevant Board and Shareholder Resolutions and all the Annual Reports of the Company and confirmed that the Offeror Company is eligible to Offer their shares to public through the IPO.

1. Since Company is going public, the Company has taken necessary steps to comply with the Corporate Governance norms as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, although the corporate governance is not applicable to the Company but the Company has broad based its Board with experienced and qualified Independent Directors and also formed the Audit and other required committees with the directors of the Company.
2. We relied upon the certificates provided by the Directors, Promoters, Promoter Group KMPs and SMPs of the Company for certain disclosures made in Red Herring Prospectus for respective entities/persons.

**Related Party Transactions:**

As certified by the management of the Company, the related party transactions entered into for the period disclosed in the Red Herring Prospectus have been entered into by the offeror in accordance with applicable laws.

Further, we have cross checked all the material details as disclosed in Red Herring Prospectus and ensured that the same are in compliance with the SEBI (ICDR) Regulations, 2018 and any amendments made to the same thereof.

Yours Faithfully,

**For Shreni Shares Limited**

*****(Formerly known as Shreni Shares Private Limited)***



**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Mr. Tushar Rathod**

**Designation:** Assistant Manager

**Place:** Mumbai