

CERTIFICATE ON REPAYMENT OF OUTSTANDING LOANS

To,
The Board of Directors
Enviro Infra Engineers Limited
Unit No.201, R.G. Metro Arcade
Sector -11, Rohini, Delhi-110085

And

Hem Securities Limited
904, A Wing, 9th Floor, Naman Midtown
Senapati Bapat Marg, Prabhadevi Station,
Lower Parel, Mumbai-400013

(Hem Securities Limited referred to as the “Book Running Lead Manager” or the “BRLM”)

Dear Sirs,

Re: Certification on Repayment of Outstanding Loans with respect to proposed initial public offering of equity shares of face value of Rs. 10 each (“Equity Shares” and such initial public offer, an “IPO” or “Offer”) of Enviro Infra Engineers Limited (the “Company”).

1. We, S S Kothari Mehta & Co. LLP (“we” or “us” or “our” or “Firm”), Chartered Accountants, are the statutory auditors of the Company. We have received a request via email communication dated November 12, 2024 from the Company to issue a certificate on proposed repayment of loans/borrowings out of the proceeds of initial public offering to the extent of Rs 12,000 Lakhs (earlier issued for Rs 10,000 lakhs) and utilization of those loans/borrowings for the purpose availed by the Company as per the Object clause mentioned in Draft Red Herring prospectus (DRHP).

Accordingly, this Certificate is issued in suppression to our earlier Certificate dated October 23, 2024 having UDIN No. 24095541BKEXNI5753.

Management Responsibility

2. The preparation of this certificate is the responsibility of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of this certificate and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management is responsible for ensuring that the Company complies with the requirements of the SEBI ICDR Regulations", the Companies Act, 2013, as amended (the "Act") and applicable guidelines.

Auditors Responsibility

4. Pursuant to the requirement mentioned above in Para 1, our responsibility is to obtain limited assurance and form a conclusion as to information mentioned in annexure-A in relation to the utilization of loans for the purpose availed by the Company is accurately extracted from financial / other information of the company and books of accounts maintained by the company.
5. Our engagement was undertaken in accordance with the Standard on Related Services (SRS) 4400, ‘Engagements to Perform Agreed-upon Procedures regarding Financial Information’, issued by ICAI.
6. We have conducted our examination in accordance with the “Guidance Note on Reports or Certificates for

Special Purposes” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

7. We have relied on:
- a. Audited standalone financial information of the Company as at and for three months period ended June 30, 2024 and year ended March 31, 2024, which have been audited by us in accordance with the applicable Standards on Auditing issued by the Institute of Chartered Accountants of India (“ICAI”) and prepared in accordance with Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 (the “Companies Act”) read with Indian Accounting Standards (“Ind AS”), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other accounting principles generally accepted in India. The same has been adopted in the board of directors meeting held on October 11, 2024 and August 28, 2024 respectively. We have issued an unmodified audit opinion thereon.
 - b. The standalone financial statements of the Company has been audited by PVR & Co. having FRN No. 013191N (“Previous Auditor”) for the financial years ended March 31, 2023 and March 31, 2022 who had issued an unmodified audit opinion vide report dated July 11, 2023 and May 26, 2022 respectively. Their audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and the same has been adopted in the board of directors meeting held on July 11, 2023 and May 26, 2022 respectively. Their audit reports have been furnished to us by the management of the Company and our conclusion, in so far as it relates to the amounts and disclosure in respect of the company, is based solely on the reports of Previous Auditor. We have relied on the financial statements audited by the Previous Auditor.
 - c. The financial statements of the 5 joint operations (namely, EIEPL – LCIPPL – ABI JV, BIPL - EIEPL JV, EIEPL - ABI JV, EIEPL – HNB JV and HNB – EIEPL JV) have been audited by other auditors for the financial years ended March 31, 2023 and March 31, 2022. Their audit reports and signed financials have been furnished to us by the management of the Company and our conclusion, in so far as it relates to the amounts and disclosure in respect of these joint operations, is based solely on the reports of such auditors.
 - d. The financial statements of the 4 joint operations (namely, EIEPL – LCIPPL – ABI JV, EIEPL - ABI JV, EIEPL – HNB JV and HNB – EIEPL JV) have been audited by other auditors for the financial year ended March 31, 2024. Their audit reports and signed financials have been furnished to us by the management of the Company and our conclusion, in so far as it relates to the amounts and disclosure in respect of these joint operations, is based solely on the reports of such auditors.
 - e. The financial statements of the 1 joint operation (namely, BIPL - EIEPL JV) for year ended March 31, 2024 have been duly certified by the management and are furnished to us. Our report, to the extent it concerns these joint operations, on the restated standalone financial information is based solely on the management certified financial statements. In Our opinion and according to the information and explanation given to us by the Board of Directors, this joint operation is not considered material to the group.
 - f. The financial statements of the 5 joint operations (namely, EIEPL – LCIPPL – ABI JV, BIPL - EIEPL JV, EIEPL - ABI JV, EIEPL – HNB JV and HNB – EIEPL JV) for three months period ended June 30, 2024 have been duly certified by the management and are furnished to us. Our report, to the extent it concerns these joint operations, on the restated standalone financial information is based solely on the management certified financial statements. In Our opinion and according to the information and explanation given to us by the Board of Directors, these joint operations are not considered material to the group.



- g. The Draft red herring prospectus dated June 26, 2024 filed by the company with SEBI for utilization of net proceeds towards repayment / pre-payment of loan in full or in part.
- h. Bank confirmations and loan statement as furnished to us by the management.
8. We have performed the following procedures in relation to the certificate:
 - i. Reviewed bank balance confirmations of loans outstanding as on 30 September 2024 as furnished to us by the management;
 - ii. Obtained the bank statements of the Company for the relevant period and traced the utilization of the loans as availed;
 - iii. Obtained details of utilisation of loans availed and traced the amount of utilisation of the loans availed to the relevant books of accounts; and
 - iv. Conducted relevant management inquiries and obtained necessary representation.
9. In this regard, we have examined the restated standalone audited financial information of the Company for three months period ended on June 30, 2024 and the financial years 2024, 2023 and 2022, prepared in accordance with the Companies Act, 2013 and the Ind AS and restated in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and the reports issued thereon (the “Restated Standalone Financial Information”).
10. Our examination of the Restated Standalone Financial Information was conducted in accordance with the standards on auditing and other applicable authoritative pronouncements issued by ICAI. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Restated Financial Standalone Information are free of material misstatement. Our examination was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

Conclusion

11. Based on our examination of relevant information and other documents and records provided to us for verification, nothing has come to our attention to conclude the following:
 - a. As explained to us by the management there are no loans to be repaid from the proceeds of the initial public offering except as disclosed in the Annexure below.
 - b. The company has not utilized the proceeds of loans for the purpose other than for which it is availed.

Restriction on Use

12. This certificate is issued for the sole purpose of the Offer and this certificate or any extracts or annexures thereof, can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Offer, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the BRLM in connection with the Offer and in accordance with applicable law., and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of the Offer documents.




SS KOTHARI MEHTA
& CO. LLP
CHARTERED ACCOUNTANTS

13. This certificate may be relied on by the Book Running Lead Manager, their affiliates and legal counsel in relation to the Issue. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

For and on behalf of
S S Kothari Mehta & Co. LLP
Chartered Accountants
FRN No.: 000756N/N500441


Deepak K. Aggarwal
Partner



Membership No.: 095541

UDIN: 24095541BKEXNR8922

Place: New Delhi

Date: November 12, 2024

Encl: As above

CC:

BRLM to the Offer

Hem Securities Limited
203, Jaipur Tower,
Opp. A.I.R, M.I. Road,
Jaipur – 302001

Legal Counsel to the Offer

Desai & Diwanji
Forbes Building, 4th floor,
Charanjit Rai Marg,
Fort, Mumbai – 400 001,
Maharashtra, India

The details of the borrowings availed by the Company, which are proposed to be fully or partially repaid from the Net Proceeds. Following are the details of Expected Repayment out of the IPO proceeds, which would be subject to maximum repayment of Rs. 12,000.00 lakhs as per the Object clause mentioned in DRHP. Details are mentioned below:

Sr. No.	Name of Lender	Purpose	Loan/ A/c No.	Sanctioned/ Disbursed Amount	Date of sanction	Date of Disbursement	Rate of interest	Pre-Payment Penalty	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 30.09.24
				(Rs in lakhs)							
1	HDFC Bank	Mobilization advance for the Project	610001	1,000.00	20-Dec-23	27-Dec-23	9.15%	2.00%-4.00%	Refer note 1	15 monthly installment	600.00
2	HDFC Bank	Mobilization advance for the Project	290001	1,000.00	24-Jan-24	29-Jan-24	9.25%			18 monthly installment	550.56
3	HDFC Bank	Mobilization advance for the Project	320001	676.00	24-Jan-24	1-Feb-24	9.25%				375.56
4	HDFC Bank	Mobilization advance for the Project	330001	334.00	30-Jan-24	2-Feb-24	9.30%			21 monthly installment	270.38
5	Kotak Bank	Mobilization advance for the Project	0197TL0100000177	1,700.00	17-Oct-23 & 26-Dec-23	21-Dec-23 & 16-Jan-24	10.00%	2.00%	Refer note 2	21 monthly installment	1001.88
6	Kotak Bank	Mobilization advance for the Project	0197TL0100000187	1,700.00	20-Mar-24	26-Mar-24	10.05%			24 monthly installment	1306.27



Sr. No.	Name of Lender	Purpose	Loan/ A/c No.	Sanctioned/ Disbursed Amount	Date of sanction	Date of Disbursement	Rate of interest	Pre-Payment Penalty	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 30.09.24	
				(Rs in lakhs)								
7	Punjab National Bank	Cash Credit *	00124011000214	1,000.00	19-Dec-23	NA	9.50%	2.00%	Refer note 3	Repayable on demand	999.65	
8	Yes Bank		06228130000025	500.00	16-Oct-23	NA	9.30%	-	Refer note 4		197.73	
9	Kotak Mahindra Bank		1746046567	1,200.00	20-Mar-24	NA	9.70%	2.00%	Refer note 5		1090.75	
10	ICICI Bank		084205002624	650.00	23-Oct-23	NA	9.50%	-	Refer note 6		635.57	
11	HDFC Bank Ltd.		50200071231786	1,000.00	27-Jun-23	NA	9.10%	2.00%-4.00%	Refer note 7		1003.80	
12	Axis Bank		922030063358157	500.00	29-Apr-24	NA	9.30%	2.00%	Refer note 8		493.06	
13	Federal Bank		1474550000470	600.00	28-Feb-24	NA	9.65%	3.00%	Refer note 9		545.67	
14	Axis Bank		Working capital demand loan	924080026260193	1500.00	29-Apr-24	NA	9.30%	2.00%		Refer note 8	1500.00
15	Kotak Mahindra Bank		Working capital demand loan	0197DL0100000478	450.00	20-Mar-24	21-Sep-24	10.45%	2.00%		Refer note 5	90 days
16	Kotak Mahindra Bank	Working capital demand loan	0197DL0100000481	440.00	20-Mar-24	27-Sep-24	10.45%	2.00%	Refer note 5	90 days	440.00	
17	Federal Bank	Working capital demand loan	14745300000175	570.00	28-Feb-24	19-Sep-24	9.65%	3.00%	Refer note 9	91 days	570.00	
18	Federal Bank	Working capital demand loan	14745300000183	430.00	28-Feb-24	21-Sep-24	9.65%	3.00%	Refer note 9	90 days	430.00	



Sr. No.	Name of Lender	Purpose	Loan/ A/c No.	Sanctioned/ Disbursed Amount	Date of sanction	Date of Disbursement	Rate of interest	Pre-Payment Penalty	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 30.09.24
				(Rs in lakhs)							
TOTAL				15,250							12,460.88

* CC functions as a revolving credit facility, meaning the business can continuously borrow and repay within the approved limit during a set period (typically 12 months). Hence, CC limit is uploaded post sanction and is continuously drawn and repaid on continuous basis, therefore Date of Disbursement is mentioned as NA.

Note 1: HDFC Bank

1. Security- First charge on Pari Passu basis in favor of the Bank by way of Hypothecation of the company' s entire stocks of Raw Materials, WIP, Semi-finished and finished goods, consumable stores spares including book debts, bill whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank And as specified in favor of the consortium lenders.
2. Collateral Security – Equitable Mortgage of properties; Overall Collateral cover to be maintained 35%

Note 2: Kotak Bank

1. Security- Extension of first and pari-passu charge on all existing and future current assets of the Borrower with AU Small Finance Bank, Indusind Bank, ICICI bank, HDFC bank, PNB, Yes bank and Axis bank
2. Collateral Security- Lien over Fixed Deposits in favour of KMBL equivalent of 35% of CC limit. FDR shall be cumulative with auto renewal of Principal + interest and no interest outflow

Note 3: Punjab National bank

1. Primary Security - Hypothecation of stocks of raw material, stock-in-process, finished goods, stores & spares, stock in transit, advance to supplies, all other current assets and receivables of the Company on pari-passu basis with PNB, IndusInd Bank, AU Small Finance Bank, Yes Bank and Kotak Mahindra Bank, HDFC Bank, Axis Bank and Other Bank (Proposed) Borrower shall hypothecate entire Book Debts, present and future , arising out of genuine credit sale transactions. 25% against stocks and 25% against other book debts and 15% margin against government book debts
2. Collateral Security-
 - a. Resi. property at B-6/ 83, Sec-11, Rohini, Delhi in name of Sh. Sanjay Jain
 - b. Resi. property at 309, Sunrise Apptt Sec 13 Rohini Delhi in name of Smt. Sanchi Jain
 - c. Resi. property at B-6/ 84 Sec 11, Rohini Delhi in name of Sh. Sanjay Jain
 - d. FDR for Rs 13.44 lakhs

Note 4: Yes Bank

1. Primary Security - First Pari Passu Charge by way of Hypothecation on all existing and future Current Assets of the Borrower (both present and future).
2. Overall security cover to be maintained at 35% including BG/LC margin.

Note 5: Kotak Mahindra Bank

1. Primary Security - Extension of first and pari-passu charge on all existing and future current assets of the Borrower with AU Small Finance Bank, Indusind Bank, ICICI bank, HDFC bank, PNB, Yes bank and Axis bank



2. Collateral Security- Lien over Fixed Deposits in favour of KMBL equivalent of 35% of CC limit. FDR shall be cumulative with auto renewal of Principal + interest and no interest outflow

Note 6: ICICI Bank

1. Primary Security - First pari passu charge on Current Assets and exclusive charge on FD
2. Collateral Security- Collateral of 35 % in form of FD

Note 7: HDFC Bank

1. Primary Security - First charge on Pari Passu basis in favor of the Bank by way of Hypothecation of the company's entire stocks of Raw Materials, WIP, Semi-finished and finished goods, consumable stores spares including book debts, bill whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank And as specified in favor of the consortium lenders.
2. Collateral Security – Equitable Mortgage of properties; Overall Collateral cover to be maintained 35%

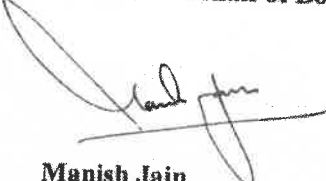
Note 8: Axis Bank


1. Primary Security - First pari-passu charge over entire current assets of the company both present and future.
2. Collateral Security – Total 35% in form of FDR collateral & Margin** (LC/BG- 15% in the form of cash margin on BG issuance and 20% in the form of collateral/FDR)
** Collateral/cash margin shall be combined of 35% and shall be on proportionate basis (i.e. in proportion to limits being disbursed).
The company maintains minimum collateral coverage of 35% throughout the tenor of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank.

Note 9: Federal Bank

1. Primary Security - First Pari Passu charge on entire current assets of the company, both present & future

For and on behalf of Board of Directors of Enviro Infra Engineers Limited


Manish Jain
Managing Director
DIN: 02671522


Sunil Chauhan
Chief Financial Officer
PAN: ACPPC7246P

