

Due – Diligence Certificate

January 25, 2025

To,
NSE Limited
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400051

Dear Sir/Madam,

Sub: Proposed initial public offering of upto 32,00,000 equity shares of face value of ₹10 each (the “Equity Shares”) of Happy Square Outsourcing Services Limited (the “Company”) comprising a fresh issue of the Equity Shares of the Company (“Fresh Issue”).

We have been appointed as the Book Running Lead Manager for the proposed Initial Public Offering (“IPO”) by **Happy Square Outsourcing Services Limited**. We herewith state as follows:

It is to be distinctly understood that submission of the offer document to Stock Exchange should not, in any way, be deemed or construed to mean that the same has been cleared or approved by Stock Exchange. Exchange does not take any responsibility either for the financial soundness of any scheme or the project for which this offer is proposed to be made or for the correctness of the statements made or opinions expressed in the offer document. The Book Running Lead Manager, Corpwis Advisors Private Limited herewith certify that the disclosure made in the offer document are generally adequate and are in conformity with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the time being in force.

It should also be clearly understood that while the company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the prospectus, the Book Running Lead Manager, Corpwis Advisors Private Limited, is expected to exercise due diligence to ensure that the company discharges its responsibility adequately in this behalf and towards this purpose, the Book Running Lead Manager, Corpwis Advisors Private Limited, herewith furnishes this due diligence certificate;

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 finalising the offer document of the subject offer;
2. On the basis of such examination and discussions with the issuer, 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 issuer, we confirm that:
 - a. the draft offer document filed with the Exchange is in conformity with the documents, materials and papers which are material to the offer;
 - b. 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
 - c. the material disclosures made in the draft offer document 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, these regulations and other applicable legal requirements.
3. Besides ourselves, all intermediaries named in the draft offer document are registered with the Board and that till date, such registration is valid

Corpwis Advisors Private Limited
U74900MH2014PTC322723

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4. We before filing of the Prospectus shall satisfy ourselves about the capability of the underwriters to fulfil their underwriting commitments.
5. Written consent from the promoters has been obtained for inclusion of their specified securities as part of the promoters' contribution subject to lock-in and the specified securities proposed to form part of the promoters' contribution subject to lock-in shall not be disposed or sold or transferred by the promoters during the period starting from the date of filing the draft offer document with the Board till the date of commencement of lock-in period as stated in the draft offer document.
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 draft offer document.
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.
8. 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 issuer along with the proceeds of the offer. – **Not Applicable**
9. 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 which shall be entered into between the bankers to the issue and the issuer shall specifically contains this condition.
10. The existing business as well as any new business of the issuer 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 issuer and that the activities which have been carried in the last ten years are valid in terms of the object clause of the Memorandum of Association.
11. Following disclosures have been made in the draft offer document:
 - a. An undertaking from the issuer that at any given time, there shall be only one denomination for the equity shares of the issuer, excluding SR equity shares, where an issuer has outstanding SR equity shares, and
 - b. An undertaking from the issuer that it shall comply with all disclosure and accounting norms specified by the Board.
12. 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.

We enclose a note explaining the process of due diligence that has been exercised by us including in relation to the business of the issuer, 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 offer document have been entered into by the issuer 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 draft offer document where the regulation has been complied with and comments, if any.

We further confirm that:

1. None of the intermediaries named in the offer document are debarred from functioning by any regulatory authority.
2. The abridged prospectus which shall be prepared along with the Prospectus shall contains disclosures as specified in these regulations.
3. All material disclosures in respect of the issuer have been made in the offer document and that any material development in the issuer or relating to the issue up to the commencement of listing and trading of the specified securities offered through this issue 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 have been given.
4. Agreements have been entered into with the depositories for dematerialisation of the specified securities of the issuer.
5. The underwriting and market making arrangements as per requirements of regulation 261 and 262 of these regulations shall be made before the date of the Prospectus.
6. The issuer has not received any complaints from any investors/stakeholders till the end of the quarter immediately preceding the month of the filing of the draft offer document with the Exchange.

Thanking You.

Yours Truly,

FOR CORPWIS ADVISORS PRIVATE LIMITED


NIKUNJ KANODIA
DIRECTOR
DIN: 06427863



January 25, 2025

To,
NSE Limited
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
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Mumbai – 400051

Dear Sir/Madam,

Sub: Proposed initial public offering of upto 32,00,000 equity shares of face value of ₹10 each (the “Equity Shares”) of Happy Square Outsourcing Services Limited (the “Company”) comprising a fresh issue of the Equity Shares of the Company (“Fresh Issue”).

We have been appointed as the Book Running Lead Manager for the proposed Initial Public Offering ("IPO") by **Happy Square Outsourcing Services Limited (“Company”)**. Further, T&S Law Firm, has been appointed as the Legal Advisor for the proposed IPO. As mandated under the ICDR Regulations, 2018, we herewith submit a brief note on the diligence process adopted by us.

We have interacted with the promoters and the management team at **Happy Square** to understand their business operations, and their focus areas. As a part of the due diligence exercise, we have verified the documents pertaining to the business such as statutory registers, books of accounts, audited financials, agreements, contracts, etc. We have also visited the Company’s (a) Registered Office situated at 240, Nagpur Road, Madan Mahal, Jabalpur, Madhya Pradesh, 482008 India.

We have also interacted with the legal advisors for the proposed IPO who have also conducted their respective due diligence for the various laws applicable to the company and also conducted search for litigations against and by the Company, its Promoters, its Directors and Group Companies. We have also interacted with the Key Managerial Personnel of the Company to understand the business operations, processes carried out by the Company.

About the Company:

The Company was incorporated on April 20, 2017 as a private limited company as ‘Splendid Academy Private Limited’, under the Companies Act, 2013, pursuant to a certificate of incorporation dated April 20, 2017 issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a resolution passed by the Board of Directors in its meeting held on January 16, 2020, and by the Shareholders in their Extraordinary General Meeting held on January 17, 2020, the name of the Company was changed to ‘Happy Square Outsourcing Services Private Limited’ and a fresh certificate of incorporation dated February 3, 2020 was issued by the Registrar of Companies, Gwalior.

Further, the Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on June 1, 2024, and by the Shareholders in an Extraordinary General Meeting held on June 26, 2024 and consequently the name of the Company was changed to ‘Happy Square Outsourcing Services Limited’ and a fresh certificate of incorporation dated August 1, 2024 was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of the Company is U80904MP2017PLC043153.

Registered Office of the Company is situated at 240, Nagpur Road, Madan Mahal, Jabalpur - 482 008, Madhya Pradesh, India

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The Promoters of the Company are Mrs. Shraddha Rajpal and Mrs. Nalini Rajpal

For further details on the information of the company, see "**General Information**" on page 59 of the Draft Red Herring Prospectus.

Business Background:

Happy Square is a technology-based consulting firm, involved in Tech based human resource outsourcing business which focuses on end-to-end solution. Promoters of the company, Shraddha Rajpal and Nalini Rajpal have a combined experience of 10 plus years in the staffing industry. Driven by the passion for building an integrated staffing company, backed by their experience, the Promoters are the pillars of the Company's growth and have built a strong value system for the Company. With their enriching experience and progressive thinking, we aim to continue to grow in the human resource outsourcing business.

For further details, please refer to chapter titled "Our History and Certain Corporate Matters" beginning on page 141 of the Draft Red Herring Prospectus.

For further details on the business of the company, see "**Our Business**" on page 112 of the Draft Red Herring Prospectus.

Risk Factors in relation to Business:

We have studied the sector the company operates in and the risks associated with it. While risks are an inherent part of any system, we have put forth the risks associated with the company and its business operations and other general risks. We believe that the risks (which we are aware of and have been made aware of and have discovered during the due diligence process) have been put forth in the offer document.

For further details, w.r.t risk factors in relation to business of the company, see "**Risks Factor**" on page 26 of the Draft Red Herring Prospectus.

Promoters' Experience and Background:

The Promoters of the Company are Mrs. Shraddha Rajpal and Mrs. Nalini Rajpal

Mrs. Shraddha Rajpal

Shraddha Rajpal has an experience of over 10 years as HR Consultant. She oversees operations and recruitments department of our company.

Mrs. Nalini Rajpal

Nalini Rajpal oversees administrative functions of our company.

We have interacted with Mrs. Shraddha Rajpal, Mrs. Nalini Rajpal and have discussed with them about the past performance of the company and how they foresee business growth, more particularly, after the IPO. We have, as a part of the due diligence exercise, perused through the documents relating to the promoters and directors.

For further details on the promoters of the company, see "**Our Promoter and Promoter Group**" and "**Our Management**" on page 160 and 146 of the Draft Red Herring Prospectus respectively.

Related Party Transactions:

The Company has entered into related party transactions in the nature of Remuneration, loans and advances given/taken and loans from director.

For related party transactions, we have relied upon the audited financial statements and restated financial statements as audited/restated by the statutory auditors of the company.

For further details about the related party transactions, please see “*Our Business*”, “*Related Party Transactions*” annexed with the restated financial statements” and “*Our Group Companies*” on pages 112, 191 and 165 of the Draft Red Herring Prospectus.

Thanking You.

Yours Truly,

FOR CORPWIS ADVISORS PRIVATE LIMITED



NIKUNJ KANODIA
AUTHORISED SIGNATORY

