

## NOTICE

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of Happy Steels Limited (Formerly known as Happy Steels Private Limited) will be held on Tuesday the 30<sup>th</sup> day of September, 2025 at 11:00 A.M at the Registered Office of the Company situated at Kanganwal Road, Jaspal Bangar, Ludhiana, Punjab-141122 for transacting the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 together with the reports of Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Parveen Kumar Garg (DIN: 00621836) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s Davinder Pal Singh & Co. Chartered (FRN: 07601N be and is hereby appointed as Statutory Auditors of the company for the period of 5 years to hold the office from the conclusion of this AGM till the conclusion of AGM to be held in the F.Y. 2030-2031 at a remuneration that may be decided by the Board of Directors in consultation with the Audit Firm.

**RESOLVED FURTHER THAT** Mr. Abhishek Garg (DIN-00621845), Managing Director of the company and/or Mr. Deepak Garg (DIN-08311407) and/or Mr. Parveen Kumar Garg Directors of the company of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matter, filing and things which may deem necessary in this behalf."

### **SPECIAL BUSINESS**

4. To appoint Mr. Deepak Garg (DIN: 08311407) Director of the Company as Whole Time Director and in this regard, if considered and thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**:



+91-7009075760



info@happysteels.com

**CIN :** U35923PB1996PLC018348

**GSTIN :** 03AAACH6019D128

**ADDRESS :** Village Jaspal Bangar, Kanganwal Road, Ludhiana, Punjab 141122 || **WEBSITE :** happysteels.com



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Private Label

ISO / TS 16949:2009

IATF-Cert. No. 0147900

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and read with rules made thereunder and Schedule V and all other provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification(s) or re-enactments thereof, for the time in force), approval of the members of the Company be and is hereby accorded to appoint Mr. Deepak Garg (DIN: 08311407), Director of the Company Liable to retire by Rotation as Whole time Director of the Company for a period of three years with effect from 1<sup>st</sup> October 2025 at a maximum monthly remuneration upto Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousands Only) including perquisites as set out below:

Remuneration and Perquisites Payable to Mr. Deepak Garg (DIN: 08311407)

Salary: Rs 3,50,000 pm

Perquisites: In addition to salary he shall be entitled to following Perquisites and allowances

- i. Accommodation (Furnished or otherwise) or House Rent Allowance in Lieu thereof.
- ii. House maintenance allowances together with reimbursement of expenses/allowances for utilization of gas, electricity, water, servant, furnishings and repairs.
- iii. Medical reimbursement including hospitalization for self and family at actual irrespective of any limits;
- iv. Leave travel concession for self and family including dependents.
- v. Club fees;
- vi. Insurance premium for medical and hospitalization policy for self and family.
- vii. Gratuity on the basis of 15 days salary for each year of completed service as per rules of the company
- viii. Contribution to provident fund as per rule of the company,
- ix. Contribution to superannuation fund as per rule of the company
- x. Use of car with driver, telephone and mobile phone,
- xi. Actual Travelling and Entertainment Expenses
- xii. and such other benefits as may be mutually Agreed.

**RESOLVED FURTHER THAT** the remuneration as set out above be paid as minimum remuneration to Mr. Deepak Garg (DIN: 08311407), notwithstanding that in any financial year of the Company during his tenure as Whole Time Director, the Company has made no profits or profits are inadequate.

**RESOLVED FURTHER THAT** Mr. Abhishek Garg, (DIN: 00621845) Managing Director and/or Mr. Deepak Garg (DIN: 08311407) and Parveen Kumar Garg (DIN: 00621836) Directors of the Company be and are hereby severally authorized, on behalf of the Company to sign and file such documents, papers and E-Forms with the jurisdictional Registrar of Companies and to do all such acts, deeds, matters and things as may be considered necessary for the purpose of giving effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** any Director of the Company and/or Company Secretary be and are hereby severally authorized to give certified copy of the resolution."

5. To appoint Mr. Parveen Kumar Garg (DIN: 00621836) Director of the Company as Whole Time Director and in this regard, if considered and thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and read with rules made thereunder and Schedule V and all other provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification(s) or re-enactments thereof, for the time in force), approval of the members of the Company be and is hereby accorded to appoint Mr. Parveen Kumar Garg (DIN: 00621836), Director of the Company Liable to retire by Rotation as Whole time Director of the Company for a period of three years with effect from 1<sup>st</sup> October 2025 at a maximum monthly remuneration upto Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousands Only) including perquisites as set out below:

Remuneration and Perquisites Payable to Parveen Kumar Garg (DIN: 00621836)

Salary: Rs 3, 50,000 pm

Perquisites: In addition to salary he shall be entitled to following Perquisites and allowances

- i. Accommodation (Furnished or otherwise) or House Rent Allowance in Lieu thereof.
- ii. House maintenance allowances together with reimbursement of expenses/allowances for utilization of gas, electricity, water, servant, furnishings and repairs.
- iii. Medical reimbursement including hospitalization for self and family at actual irrespective of any limits;
- iv. Leave travel concession for self and family including dependents.
- v. Club fees;
- vi. Insurance premium for medical and hospitalization policy for self and family.
- vii. Gratuity on the basis of 15 days salary for each year of completed service as per rules of the company
- viii. Contribution to provident fund as per rule of the company.
- ix. Contribution to superannuation fund as per rule of the company
- x. Use of car with driver, telephone and mobile phone.
- xi. Actual Travelling and Entertainment Expenses
- xii. and such other benefits as may be mutually Agreed.

**RESOLVED FURTHER THAT** the remuneration as set out above be paid as minimum remuneration to Mr. Parveen Kumar Garg (DIN: 00621836), notwithstanding that in any financial year of the Company during his tenure as Whole Time Director, the Company has made no profits or profits are inadequate.

**RESOLVED FURTHER THAT** Mr. Abhishek Garg, (DIN: 00621845) Managing Director and/or Mr. Deepak Garg (DIN: 08311407) and Parveen Kumar Garg (DIN: 00621836) Directors of the Company be and are hereby severally authorized, on behalf of the Company to sign and file such documents, papers and E-Forms with the jurisdictional Registrar of Companies and to do all such acts, deeds, matters and things as may be considered necessary for the purpose of giving effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** any Director of the Company and/or Company Secretary be and are hereby severally authorized to give certified copy of the resolution."

**6. TO APPROVE THE PAYMENT OF REMUNERATION IN EXCESS OF LIMITS PRESCRIBED  
UNDER COMPANIES ACT, 2013:**

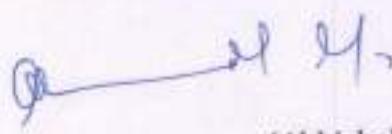
To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution: -

**"RESOLVED THAT** Pursuant to the provisions of section 197 and the other applicable provisions, if any of the Companies Act, 2013 (hereinafter referred to as the 'the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any modification or re-enactment thereof, the consent of the members be and is hereby accorded to ratify any remuneration paid/payable to Managing Director and/or Whole Time Director and/ or Directors individually or in aggregate exceeding the limits prescribed under section 197 and schedule-V of the Act.

**RESOLVED FURTHER THAT** as per section 197 of the Act, the consent of the Company be and is hereby accorded, to waive the recovery of refund of any excess remuneration drawn by any director of the company.

**RESOLVED FURTHER THAT** Mr. Abhishek Garg (DIN: 00621845), Managing Director of the Company, Mr. Deepak Garg (DIN: 08311407) and Mr. Parveen Kumar Garg (DIN: 00621836) Whole Time Director and/or Director of the Company be and is hereby authorized to do all such acts, deeds, matters and sign e-forms, which are necessary to give effect to the aforesaid resolution."

By order of the Board  
For Happy Steels Limited  
(Formerly Known as Happy Steels Private Limited)



(Abhishek Garg)  
Managing Director  
DIN: 00621845

Date: 28.08.2025  
Place: Ludhiana

**NOTES:**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and the proxy need not be a member. Proxy form in order to be effective must be received by the Company not less than 48 hours before the commencement of the Meeting. A proxy so appointed shall not have any right to speak at the meeting. The blank proxy form is enclosed.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto and forms part of this Notice.
3. Documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 11.00 A.M upto the date of the Annual General Meeting.
4. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

I/ We ..... being Member(s) of M/s Happy Steels Limited, CIN (U35923PB1996PLC018348) appoint ..... of ..... or failing him ..... of ..... as my/our Proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company, to be held on Tuesday, the 30<sup>th</sup> day of September, 2025 at 11.00 A.M. at the Registered Office of the Company situated at Kanganwal Road, Village Jaspal Bangar, Ludhiana, Punjab-141122 and/or at any adjournment thereof.

Signed this ..... day of ..... 2025.

Signature (s) of the Member (s)

Regd. Folio No.

AFFIX 1  
RUPEE  
REVENUE  
STAMP

NOTES:

1. The proxy form must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the aforesaid meeting.
2. A proxy need not be a Member of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013**
**ITEM NO.04**

The Item relates to appointment of Mr. Deepak Garg as whole time Director of the Company.

The Board of Directors in their Meeting held on 28/08/2025 has appointed Mr. Deepak Garg as whole time Director of the Company for the Period of 3 years and further proposed before the members to approve the same.

The Appointment of Mr. Deepak Garg will be in accordance with Section 196, 197 and 203 and other applicable provisions, if any read with provisions of Schedule V of the Companies Act, 2013 without requiring the approval of Central Government.

The Managing Directors Mr. Abhishek Garg (DIN: 00621845) and Director Mr. Parveen Kumar Garg (DIN: 00621836) are concerned or interested financially or otherwise in the resolution

The Board recommends the Special Resolution at Item No. 4 of the Notice for the Approval by the Members of the Company.

**Information pursuant sub paragraph (IV) of Paragraph (B) under section II of Part II of Schedule V of the Companies Act, 2013**
**I. General Information**

1. Nature of Industry	Automotive Industry						
2. Date or expected date of commencement of commercial production	1996						
3. In case of new companies, expected date of commencement of activities as per project by Financial Institutions	N.A						
4. Financial performance based on given indications	<p>Based on Profit and Loss account (audited) of the company for the Financial Year ended March 31, 2025 the financial performance of the company is as follows:</p> <table border="1"> <tr> <td>Net Sales in lacs</td> <td>8214.02</td> </tr> <tr> <td>Net Profit in lacs</td> <td>253.12</td> </tr> <tr> <td>EPS (RS.) basis</td> <td>16.88</td> </tr> </table>	Net Sales in lacs	8214.02	Net Profit in lacs	253.12	EPS (RS.) basis	16.88
Net Sales in lacs	8214.02						
Net Profit in lacs	253.12						
EPS (RS.) basis	16.88						
5. Foreign investments or collaboration	N.A.						

**II. Information about the appointee:**

1. Background Details	<p>Mr. Deepak Garg is a seasoned mechanical engineer with a strong background in operations management. He gained valuable experience as an Engineer Intern at Transform Automotive LLP in London, Ontario, Canada.</p> <p>In 2011, he joined Happy Steels Limited as an Operations Manager, where he successfully led</p>
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+91-7009075760



info@happysteels.com

CIN : U35923PB1996PLC018348

GSTIN : 03AAACH6019D1Z8

 ADDRESS : Village Jaspal Bangar, Kanganwal Road, Ludhiana, Punjab 141122 || WEBSITE : [happysteels.com](http://happysteels.com)

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	operations for four years. In 2015, he was promoted to Chief Operations Officer, a position he continues to hold, overseeing and driving operational excellence.
	Additionally, Mr. Deepak Garg has been serving as a Director of the company since 2023, bringing strategic leadership and vision to the organization
2. Past Remuneration	Rs. 3.50 Lac P.M
3. Recognition or awards	N.A.
4. Job Profile and his suitability	Considering his Vast experience and Knowledge about the Industry and size of operations of the Company, the Board of Director is of the opinion that He is a fit and proper person to be appointed as Whole Time Director of the Company.
5. Remuneration Proposed	Rs. 3.50 Lac P.M
6. Comparative Remuneration profile with respect to industry, size of the company	Keeping in view the type of the Industry, the responsibilities and capabilities of the appointee, the remuneration is competitive with the remuneration paid by other companies to such similar positions.
7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, as on date	Besides, the remuneration proposed, Mr. Deepak Garg does not have any other pecuniary relationship with the Company.  Mr. Deepak Garg is Brother of Mr. Abhishek Garg, Managing Director of the Company, Son of Mr. Parveen Kumar Garg, Director of the Company,

### III. Other Information

1. Reasons of loss or inadequate profits	The Company started its operations in 1996 and is gradually establishing its position in the market. There is no loss or inadequate profit in the Company, but for the purpose of calculation of managerial remuneration, there may be inadequacy of profits due to setting up of new business plans of the Company which will ultimately reap good dividends in the years to come
2. Steps taken or proposed to be taken for improvement	Steps taken or proposed to be taken for improvement: The Company is continuously taking steps for expanding its business in various products and markets. Being in the business of manufacturing of Automotive Parts, a high potential business, where manpower is the main force behind the success of the Company, under the guidance of the Board with diversified experience in every domain the Company will

3. Expected increase in productivity and profits in measurable terms	achieve higher turnover and profits. The Company is about to implement major expansion projects and steps that will help in achieving higher turnover and profits during the year 2027-2028, which will be sufficient to pay remuneration.
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#### IV. Disclosures

All the necessary disclosures shall be made, wherever required by law.

#### ITEM NO.05

The Item relates to appointment of Mr. Parveen Kumar Garg as whole time Director of the Company.

The Board of Directors in their Meeting held on 28/08/2025 has appointed Mr. Parveen Kumar Garg as whole time Director of the Company for the Period of 3 years and further proposed before the members to approve the same.

The Appointment of Mr. Parveen Kumar Garg will be in accordance with Section 196,197 and 203 and other applicable provisions, if any read with provisions of Schedule V of the Companies Act, 2013 without requiring the approval of Central Government.

The Managing Directors Mr. Abhishek Garg (DIN: 00621845) and Director Mr. Deepak Garg (DIN: 08311407) are concerned or interested financially or otherwise in the resolution

The Board recommends the Special Resolution at Item No. 5 of the Notice for the Approval by the Members of the Company.

**Information pursuant sub paragraph (IV) of Paragraph (B) under section II of Part II of Schedule V of the Companies Act, 2013**

#### I. General Information

1. Nature of Industry	Automotive Industry						
2. Date or expected date of commencement of commercial production	1996						
3. In case of new companies, expected date of commencement of activities as per project by Financial Institutions	N.A						
4. Financial performance based on given indications	Based on Profit and Loss account (audited) of the company for the Financial Year ended March 31, 2024 the financial performance of the company is as follows: <table border="1" data-bbox="845 1903 1437 2018"> <tr> <td>Net Sales in lacs</td> <td>8214.02</td> </tr> <tr> <td>Net Profit in lacs</td> <td>253.12</td> </tr> <tr> <td>EPS (RS.) basis</td> <td>16.88</td> </tr> </table>	Net Sales in lacs	8214.02	Net Profit in lacs	253.12	EPS (RS.) basis	16.88
Net Sales in lacs	8214.02						
Net Profit in lacs	253.12						
EPS (RS.) basis	16.88						
5. Foreign investments or collaboration	N.A.						

## II. Information about the appointee:

1. Background Details	Mr. Parveen Kumar Garg is a Phenomenal Businessman who at the age of 18 handled his father's Business. He officially removed the conventional Method and Adopted the new Methods for enhanced efficiency and Success.
2. Past Remuneration	Rs. 3.50 Lac P.M
3. Recognition or awards	N.A.
4. Job Profile and his suitability	Considering his Vast experience and Knowledge about the Industry and size of operations of the Company. He modernized business operations by integrating 1996-era concepts with contemporary innovations, yielding substantial growth and progress for the company. The Board of Director is of the opinion that He is a fit and proper person to be appointed as Whole Time Director of the Company.
5. Remuneration Proposed	Rs. 3.50 Lac P.M
6. Comparative Remuneration profile with respect to industry, size of the company	Keeping in view the type of the Industry, the responsibilities and capabilities of the appointee, the remuneration is competitive with the remuneration paid by other companies to such similar positions.
7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, as on date	Besides, the remuneration proposed, Mr. Parveen Kumar Garg does not have any other pecuniary relationship with the Company.  Mr. Parveen Kumar Garg is Father of Mr. Abhishek Garg, Managing Director and Mr. Deepak Garg, Director of the Company.

## III. Other Information

1. Reasons of loss or inadequate profits	The Company started its operations in 1996 and is gradually establishing its position in the market. There is no loss or inadequate profit in the Company, but for the purpose of calculation of managerial remuneration, there may be inadequacy of profits due to setting up of new business plans of the Company which will ultimately reap good dividends in the years to come
2. Steps taken or proposed to be taken for improvement	Steps taken or proposed to be taken for improvement: The Company is continuously taking steps for expanding its business in various products and markets. Being in the business of manufacturing of Automotive Parts, a high potential business, where manpower is the main force behind the success of the Company, under

	the guidance of the Board with diversified experience in every domain the Company will achieve higher turnover and profits.
3. Expected increase in productivity and profits in measurable terms	The Company is about to implement major expansion projects and steps that will help in achieving higher turnover and profits during the year 2027-2028, which will be sufficient to pay remuneration.

#### IV. Disclosures

All the necessary disclosures shall be made, wherever required by law.

#### ITEM NO. 6

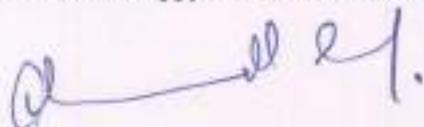
As the operations of the company are growing, it is proposed before the members to give approval by way of Special Resolution to pay remuneration to the directors exceeding the limits prescribed under section 197 read with Schedule-V of the Companies Act, 2013 and further proposed to ratify any excess remuneration drawn & waive off any refund of excess remuneration drawn by the directors of the company.

Accordingly, the approval of shareholders is solicited, The Board recommends the Special Resolution to be passed for the aforesaid purpose.

Mr. Abhishek Garg (DIN: 00621845), Managing Director of the Company, Mr. Deepak Garg (DIN: 08311407), Director of the Company and Parveen Kumar Garg (DIN:00621836) Directors of the Company being related to each other deemed to be concerned/interested in the aforesaid resolution.

By order of the Board  
Happy Steels Limited

*(Formerly Known as Happy Steels Private Limited)*



Abhishek Garg

Managing Director

DIN: 00621845

## **BOARDS' REPORT**

To,  
The Members of  
**HAPPY STEELS LIMITED**

Your directors take pleasure in presenting the 29<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2025.

### **FINANCIAL RESULTS:**

<b>Particulars</b>	<b>Current Year ended 31.03.2025</b>	<b>Previous Year ended 31.03.2024</b>
Revenue from Operations	82,14,02,720	80,90,85,241
Other Income	38,40,437	1,32,99,454
Total Income	82,52,43,157	82,23,84,695
Total Expenses	79,13,35,576	75,82,74,674
Profit/ Loss before Tax Expense	3,39,07,581	6,41,10,021
Less: Current Tax	71,70,000	1,34,00,000
Less: Taxes of Earlier Taxes	67,783	0.00
Less: Deferred tax	13,57,623	24,58,752
<b>Profit/ Loss for the year</b>	<b>2,53,12,175</b>	<b>4,82,51,269</b>
Earning per Equity Share		
Basic	17	32
Diluted	17	32

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the year under review, the revenue from operations was Rs.82,14,02,720 as against Rs. 80,90,85,241 in the previous year. The company has earned profit after tax of Rs.2,53,12,175 in the current year as compared to Rs.4,82,51,269 in the previous year.

### **CHANGE IN NATURE OF BUSINESS:**

During the year under review, the Company successfully converted from a Private Limited to a Public Limited Company, pursuant to the approval of the shareholders in the Extraordinary General Meeting held on 15/02/2025. This strategic move is aimed at enabling the Company to access broader capital markets and raise funds from the public, including through an Initial Public Offering (IPO). Consequent to the conversion, the Articles of Association and Memorandum of Association were amended to reflect the change in the Company's status, ensuring compliance with regulatory requirements and aligning our governance structure with the needs of a public company.

### **RELATED PARTY TRANSACTIONS:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

Further all the necessary details of transactions as defined under Section 188 of the Companies Act, 2013 entered with the related parties as defined under Section 2 (76) of the said Act are attached herewith in Form No. AOC-2 (Annexure: I).

**INFORMATION ON STATE OF COMPANY'S AFFAIRS:**

The Company is engaged in the manufacture/deal/trade of automotive parts, etc.

**INDUSTRIAL RELATIONS:**

Industrial relations continue to be cordial. The Directors express deep appreciation for the dedicated services rendered by workers, staff and officers of the Company.

**TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3)(J) OF THE COMPANIES ACT, 2013:**

The Company has not transferred any amount to the General Reserves.

**PUBLIC DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

**DIVIDEND:**

To conserve the funds of the company and to retain the same for future expansions, directors do not recommend any dividend for the year ended 31st March, 2025.

**CHANGES IN SHARE CAPITAL:**

There is no change in the Share Capital of the Company during the Financial Year 2024-25.

**VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:**

The provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, are not applicable to the Company.

**AUDITORS AND AUDITORS REPORT:****Statutory Auditors:**

As M/s Gupta Sharma & Associates resigned as statutory auditors of the Company on 15/03/2025, your Board recommends to appoint M/s Davinder Pal Singh & Co., Chartered Accountants (FRN: 07601N) as Statutory Auditors of the Company for the period of 5 years to hold the office from the conclusion of ensuing AGM till the conclusion of 34<sup>th</sup> AGM to be held in the F.Y. 2030-2031.

The Auditors' Report for the financial year ended March 31, 2025 does not contain any reservation, qualification or adverse remark. The notes on financial statement referred to the Auditors' Report are self-explanatory and do not call for any further explanations.

**STATUTORY STATEMENTS:****A. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information pertaining to conservation of energy, technology absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **(Annexure: II)** and is attached to this report.

**B. DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013:**

There has been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e., since March 31, 2025. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

**C. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the latest Annual Return filed with the ROC is available on the website of the company at the link <https://happysteels.com/>

**D. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

During the period under review, the Company has not granted any loan, provided any guarantees and acquired any securities exceeding the limits as prescribed under Section 186(2) of the Companies Act, 2013.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The present composition of the Board is in compliance with the provisions of the Companies Act, 2013.

During the financial year under review:

1. Mrs. Neeraj Garg (DIN-00897645) director of the company resigned w.e.f 10.08.2024.
2. Ms. Isha Ghai was appointed as Whole Time Company Secretary of the Company w.e.f. 24-12-2024.
3. The designation of Mr. Sanjeev Garg (DIN-08311407) was changed from Managing Director to Director of the Company and Mr. Abhishek Garg (DIN: 00621845) was appointed as Managing Director of the Company w.e.f. 01-01-2025 in the Board Meeting dated 10.01.2025.
4. Mr. Harshit Chhabra, Chartered Accountant (M.No.579598) was appointed as Chief Financial Officer of the Company w.e.f. 01-02-2025 in the Board Meeting dated 10-01-2025.
5. Mr. Vikas Giya, Chartered Accountant by profession was appointed as Director of the Company in the EGM dated 15-02-2025.
6. Mr. Sanjeev Garg (DIN-08311407) resigned from directorship of the company w.e.f. 17.03.2025.

In the Board Meeting dated 04-04-2025, the resignation of Mr. Harshit Chhabra Chartered Accountant (M.No.579598) from the position of Chief Financial Officer (CFO) of the Company was accepted w.e.f. 26.03.2025 and Mr. Varun Sharma HOD Accounts of the Company was appointed as CFO of the Company w.e.f. 01.04.2025.

In the ensuing Annual General Meeting of the Company, Mr. Deepak Garg and Mr. Parveen Kumar Garg Directors of the Company are recommended by your Board to be appointed as Whole-Time Directors of the Company which will contribute significantly to the company's operational efficiency and growth.

**DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

During the year under review, no Company has become or ceased to become Company's subsidiaries, joint ventures or associate companies.

**MEETINGS OF THE BOARD:**

During F.Y. 2024-25, the Board met on eleven occasions. The details of the meetings are as follows:

Sr. No.	Date	Board Strength	No. of Directors present
1.	20/04/2024	5	5
2.	25/04/2024	5	5
3.	26/06/2024	5	5

4.	19/08/2024	5	5
5.	26/08/2024	4	4
6.	27/08/2024	4	4
7.	27/09/2024	4	4
8.	24/12/2024	4	4
9.	10/01/2025	4	4
10.	20/03/2025	5	5
11.	25/03/2025	4	4

#### **RISK MANAGEMENT POLICY:**

Risk is inherent in all administrative and business activities. Risks are such events or the conditions that has a harmful or negative impact on the organizational goal or its business objectives. The exposure to the consequences of uncertainty constitutes a risk. Every member of the Organization continuously manages risk. The activities of the company are subject to various external and internal risks i.e., Economic Environment and Market conditions, Political Environment, Competition, Inflation and Cost structure, Technology Obsolescence, Financial Reporting Risks, Contractual Compliance, Compliance with Local laws, Quality Management, Human Resource Management

In order to achieve the effective Risk mitigation strategy, following framework shall be used: -

- a) Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.
- b) Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.
- c) Risk Reduction: Employing methods/solutions that reduce the severity of the loss.
- d) Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default.

This aforesaid framework constitutes the Risk Management Policy of the company and applies to all activities and processes associated with the normal operations of the Company.

#### **NOMINATION AND REMUNERATION POLICY:**

The provisions of sub-Section (3) of Section 178 of the Companies Act, 2013 are not applicable to the Company. Hence not required to form any policy on Nomination and Remuneration of Directors.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

In terms of provisions of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility Policy Rules, 2014, the Board has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the CSR activities which can be undertaken by the Company. The detailed Policy is available on the website of the company at the link <https://happysteels.com/csr/>.

In accordance with the provisions of Section 135 of the Act, the amount required to spend on CSR activities during the year under review was Rs.4,64,597. However, the Company has spent Rs.5,00,000 during the year primarily in the field of promoting education and women empowerment.

The Annual Return on Corporate Social Responsibility as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto and form part of this report as (Annexure: III)

**AUDIT COMMITTEE:**

The provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

**SECRETARIAL STANDARDS:**

The Directors state that all applicable Secretarial Standards issued by the Institute of Company Secretaries of India has been duly followed by the Company.

**COMMENTS ON STATUTORY AUDITOR'S REPORT:**

There are no qualifications in the Statutory Auditor's Report.

**FRAUDS REPORTED BY AUDITOR UNDER SUB-SECTION 12 OF SECTION 143 OF THE COMPANIES ACT, 2013:**

During the year under review, no fraud has been reported by the auditors of the company under Section 143 of the Companies Act, 2013.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**SALARY TO EMPLOYEES UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 OF COMPANIES ACT, 2013:**

1. The disclosure as required under Rule 5(1) of the Company (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to our company.
2. The company has not paid any remuneration exceeding Rs.102 Lakhs or more to any of employee during the Financial Year under review.
3. The company has not paid remuneration to any employee who was employed for a part of the Financial Year exceeding Rs.8.50 lakhs or more per month.
4. The company has not paid remuneration to any employee, who holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company, exceeding the rate at which remuneration is paid to any Managing Director, Whole Time Director or Manager whether employed throughout the Financial Year or for a part of the Financial Year under review.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) They had prepared the annual accounts on a going concern basis; and
- (e) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The company has complied with the provisions related to constitution of Internal Complaints Committee under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company has not received any complaint.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year.

**DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

As Company has not done any one-time settlement during the year under review hence no disclosure is required.

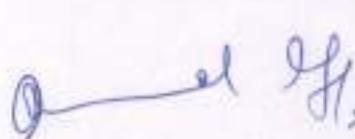
**ACKNOWLEDGEMENT**

Your directors wish to express their grateful appreciation for the valuable support and co-operation received from business associates, vendors, bankers, financial institutions, investors and other stakeholders.

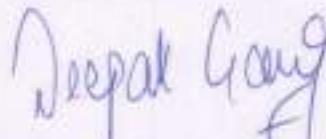
The Board places on record its sincere appreciation towards the Company's valued customers for the support and confidence reposed by them in the organization and the stakeholders for their continued co-operation and support to the company and look forward to the continuance of this supportive relationship in future.

Your directors also place on record their deep sense of appreciation for the devoted services of the employees during the period under review.

By order of the Board  
For Happy Steels Limited  
(Formerly Known as Happy Steels Private Limited)



(Abhishek Garg)  
Managing Director  
DIN: 00621845



(Deepak Garg)  
Whole-Time Director  
DIN: 008311407

Date: 28.08.2025  
Place: Ludhiana

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the companies (Accounts Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Name of the related party and nature of relationship	Nature of contracts/arrangements transactions	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance/s if any

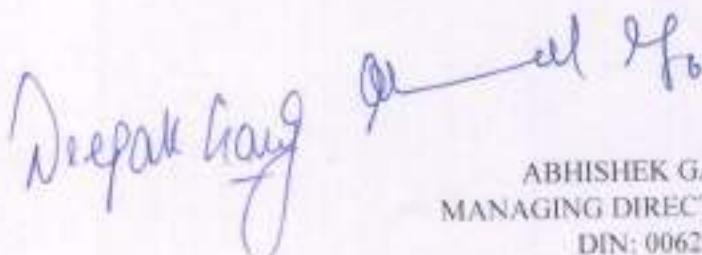
**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name of the related party and nature of relationship	Nature of contracts/arrangements transactions	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances if any
Happy Forgings Limited	Purchase (Substantial Interest)	One Year	Goods purchased at the prevailing market price i.e. Arm Length Price; Rs. 42,60,554	20.04.2024	NIL
Happy Forgings Limited	Sale (Substantial Interest)	One Year	Goods sold at the prevailing market price i.e. Arm Length Price; Rs. 1,08,54,515	20.04.2024	NIL

Happy Axle and Gear Private Limited	Purchase (Substantial Interest)	One Year	Goods purchased at the prevailing market price i.e. Arm Length Price; Rs. 20,855,787	20.04.2024	NIL
Happy Axle and Gear Private Limited	Sale (Substantial Interest)	One Year	Goods sold at the prevailing market price i.e. Arm Length Price; Rs. 23,808,288	20.04.2024	NIL
Happy Autocomp Private Limited	Purchase (Substantial Interest)	One Year	Goods purchased at the prevailing market price i.e. Arm Length Price; Rs. 15,794,436	20.04.2024	NIL
Happy Autocomp Private Limited	Sale (Substantial Interest)	One Year	Goods sold at the prevailing market price i.e. Arm Length Price; Rs. 10,226,640	20.04.2024	NIL
Northstar Autocomp Private Limited	Purchase (Substantial Interest)	One Year	Goods purchased at the prevailing market price i.e. Arm Length Price; Rs. 61,362,126	20.04.2024	NIL
Northstar Autocomp Private Limited	Sale (Substantial Interest)	One Year	Goods sold at the prevailing market price i.e. Arm Length Price; Rs. 922,553	20.04.2024	NIL

For and on behalf of the Board of Directors

PLACE: LUDHIANA  
DATE: 28/08/2025



ABHISHEK GARG  
MANAGING DIRECTOR  
DIN: 00621845

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A. Conservation of energy:**

(i)	The Steps Taken Or Impact On Conservation Of Energy	The company takes several steps to conserve the energy, wherever possible. Some of measures taken are as Maximum utilization of natural light in the office premises. Using high efficiency lighting systems.
(ii)	The Steps Taken By The Company For Utilizing Alternate Sources Of Energy	Company is encouraging the usage of alternative energy source based products, services and processes.
(iii)	The Capital Investment On Energy Conservation Equipments	No specific investment has been made earmarked, however expenses have been incurred wherever necessary.

**B. Technology absorption:**

(i)	The Efforts Made Towards Technology Absorption	The company is continuously making efforts for adaption of latest technology in all its units to effectively compete in Indian as well as in international markets.
(ii)	The Benefits Derived Like Product Improvement, Cost Reduction, Product Development Or Import Substitution	It will help in production development and cost reduction.
(iii)	In Case Of Imported Technology (Imported During The Last Three Years Reckoned From The Beginning Of The Financial Year)- (A) The Details Of Technology Imported (B) The Year Of Import; (C) Whether The Technology Been Fully Absorbed (D) If Not Fully Absorbed, Areas Where Absorption Has Not Taken Place, And The Reasons Thereof	Not Applicable
(iv)	The Expenditure Incurred On Research And Development	No expenditure incurred on research and development during the year

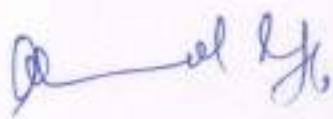
**C. Foreign exchange earnings and outgo:**

During the year under review following are the Inflows and Outflows of Foreign Exchange:-

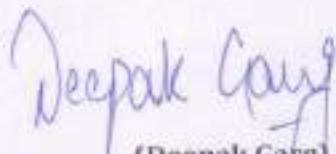
(In thousands)

Sr. No.	Particulars	For the year ended 31st March, 2025
I.	<b>Foreign Exchange Outflows:</b>	
	a) Sales Commission	2,426.72
II.	<b>Foreign Exchange Inflows:</b>	
	a) Export of goods	82,932.80

By order of the Board  
**For Happy Steels Limited**  
*(Formerly Known as Happy Steels Private Limited)*



(Abhishek Garg)  
Managing Director  
DIN: 00621845



(Deepak Garg)  
Whole-Time Director  
DIN: 008311407

Date: 28.08.2025

Place: Ludhiana

### ANNEXURE-III

#### **Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2024-25:**

##### **1. A brief outline on CSR policy of the Company.**

The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013 and the same is applicable on the web link <https://happysteels.com/csr/>. The CSR Policy, inter alia, covers the concept of CSR philosophy, activities undertaken by the company, applicability, scope, resources, identification, modalities of execution, implementation, approval process and monitoring of CSR Projects/programmes.

##### **2. Composition of the CSR Committee: Not Applicable**

- Provide the web-link where Composition of CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://happysteels.com/csr/>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. (a) Average net profit of the company as per Section 135(5): Rs. 2,32,29,873.97

(b) Two percent of average net profit of the Company as per Section 135(5): Rs. 4,64,597.48

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set off for the financial year, if any: Rs.0.00

(e) Total CSR obligation for the financial year (5b+5c-5d): Rs.4,64,597.48

##### **6. (a) Details of CSR amount spent against ongoing projects for the financial year: NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
				Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation- Through Implementing Agency
1.												
2.												

(b) Details of CSR amount spent against other than ongoing projects for the financial year: Rs.5,00,000/-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation- Direct (Yes/No)	Mode of implementation- through implementing agency	
				State	District			Name	CSR registration number
1.	Education and Women Empowerment	Promoting education	Yes	Punjab	Ludhiana	500000	No		

(c) Amount spent in Administrative Overheads: NIL

(d) Amount spent on Impact Assessment, if applicable: Not Applicable

(e) Amount spent for the Financial Year: Rs. 5,00,000/-  
(6a+6b+6c+6d)

(f) CSR amount spent or unspent for the financial year:

Total amount Spent for the Financial Year (in Rs.)	Amount Unspent [in Rs.]				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs.5,00,000/-	0.00	-	N.A.	NIL	N.A.

(g) Excess amount for set off, if any: **Excess not available**

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	4,64,597.48
(ii)	Total amount spent for the Financial Year	5,00,000.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	35,402.52
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	35,402.52

7. Details of Unspent CSR amount for the preceding three financial years: NIL.

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Balance Amount in Unspent CSR account under Section 135(6) (in Rs.)	Amount spent in the Financial Year [in Rs.]	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years [in Rs.]	Deficiency, if any
					Amount [in Rs.]	Date of transfer		

1.	2023-24	-	-	-	-	-	-	-
2.	2022-23	-	-	-	-	-	-	-
3.	2021-22	-	-	-	-	-	-	-
	<b>TOTAL</b>	-	-	-	-	-	-	-

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): Not Applicable

By Board of Directors  
**For Happy Steels Limited**  
*(Formerly Known as Happy Steels Private Limited)*

*Abhishek Garg*

**(Abhishek Garg)**  
 Managing Director  
 DIN: 00621845

*Deepak Garg*

**(Deepak Garg)**  
 Whole-Time Director  
 DIN: 008311407

Date: 28.08.2025

Place: Ludhiana

## Independent Auditors' Report

To the Members of  
Happy Steels Limited

### Report on the audit of the Financial Statements

#### Opinion

We have audited the accompanying financial Statements of Happy Steels Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, the Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit and, its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

#### Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management



either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements



### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. (A) As required by Section 143(3) of the Act, based on our audit, we report, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report agree with the books of account.
  - (d) In our opinion, the Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 the Companies (Accounts) Rules, 2014.
  - (e) Based on the written representations received from the directors as on March 31, 2025 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (a) The Company does not have any pending litigation which would impact its financial position.
    - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - (d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate



Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(e) Based on our examination, which included test checks and according to the information and explanations given to us, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

(B) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

For Davinder Pal Singh & Co.  
Chartered Accountants

Reg. No. 07601N



(Arun Rattan)  
Partner  
M. No.508414

Place: Ludhiana  
Dated: 28.08.2025  
UDIN: 25508414BNUKIQ8326

## **"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Happy Steels Limited of even date)

- i)
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - (b) The Company has adopted a policy of physical verification of all the items of Property, Plant and Equipment so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the Financial Statements included under Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment or Intangible Assets during the year.
  - (e) Based on the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year at reasonable intervals. In our opinion and based upon information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory have been noticed on physical verification of inventories when compared with books of account.
- (b) The Company has been sanctioned working capital limits more than ₹ 5 Crore, in aggregate, during the year, from banks based on security of current assets. Based on our verification, quarterly returns or statements filed by the company with such banks agree with the books of account.
- iii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not provided any guarantee or security or granted advances in loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year.
- iv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not provided any loan, guarantee or security as specified under Sections 185 and 186 of the Act.
- v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder.
- vi) Having regard to the nature of Company's business/activities, reporting under clause 3(vi) of



the order is not applicable to the company.

vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other applicable statutory dues as at March 31, 2025 for a period of more than six months from the date they became payable.

viii) According to the information and explanations given to us and records of the company examined, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) (a) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) Based on our overall examination of the Financial Statements of the Company, funds raised on short term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us, the Company has no subsidiaries, associates, or joint ventures, so the reporting under this clause is not required.

(f) According to the information and explanations given to us, the Company has no subsidiaries, associates, or joint ventures, so the reporting under this clause is also not required.

x) (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) during the year and accordingly reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi) (a) According to the information and explanations given to us and based on our examination of records, no fraud by the Company and no material on the Company has been noticed or reported during the year nor have we been informed of any such case by the management.

(b) According to the information and explanations given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us and based on our examination of records, the Company follows Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
 (b) We have considered the reports of internal auditor for the period under audit, issued to the Company during the year and till date.

xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered non-cash transactions with directors or person connected with them. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi) (a) Based on the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly clause 3(xvi) (a) of the Order is not applicable to the Company.  
 (b) Based on information and explanation given to us, the company has not conducted Non-Banking Financial or Housing Finance activities during the year. Accordingly, the requirement to report on clause 3(xvi) (b) of the order is not applicable to the Company.  
 (c) Based on information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.  
 (d) According to the information and explanations given to us, there is no Core Investment Company as a part of the Group, we have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the requirement to report on clause 3 (xvi) (d) of the Order is not applicable to the Company.

xvii) The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on clause 3 (xviii) of the Order is not applicable to the Company.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date



of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) (a) In our opinion and according to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR), other than on-going projects, if any, requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.  
(b) In our opinion and according to the information and explanations given to us, there are no on-going projects, under Corporate Social Responsibility (CSR).
- xxi) The reporting under clause 3(xxi) of the Order is not applicable since there is no subsidiary or associate of the company.

For Davinder Pal Singh & Co.  
Chartered Accountants  
Firm Reg. No. 07601N



Place: Ludhiana  
Dated: 28.08.2025  
UDIN: 25508414BNUKIQ8326

**"Annexure B" TO THE INDEPENDENT AUDITORS REPORT**

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Happy Steels Limited of even date)

**Report on the Internal Financial Controls Over Financial Reporting with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the Financial Statements of Happy Steels Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls with reference to the Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## **Meaning of Internal Financial Controls over Financial Reporting with reference to Financial Statements**

A company's internal financial control with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls with reference to the Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to the Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Davinder Pal Singh & Co.**

Chartered Accountants

Firm Reg. No. 07601N



**Place: Ludhiana**

**Dated: 28.08.2025**

**UDIN: 25508414BNUKIQ8326**

**HAPPY STEELS LIMITED (Formerly known as Happy Steels Private limited)**

**BALANCE SHEET as at 31st March, 2025**

**CIN: U35923PB1996PLC018348**

Particulars	Note No.	Amount (in Rs.)		
		As at 31st March 2025	As at 31st March 2024	
<b>I EQUITY AND LIABILITIES</b>				
<b>(1) Shareholder's Funds</b>				
(a) Share Capital	2	14,997,400	14,997,400	
(b) Reserves and Surplus	3	315,954,635	290,642,460	
		330,952,035	305,639,860	
<b>(2) Share application money pending allotment</b>				
<b>(3) Non-Current Liabilities</b>				
(a) Long-term borrowings	4	112,659,255	117,893,607	
(b) Deferred Tax Liabilities (Net)	5	21,935,446	20,577,823	
(c) Other long term liabilities	-	-	-	
(d) Long-term provisions	-	-	-	
		134,594,701	138,471,429	
<b>(4) Current Liabilities</b>				
(a) Short-term borrowings	6	229,490,409	239,042,772	
(b) Trade payables	7	11,462,018	9,249,336	
(i) Total outstanding dues of micro enterprises and small enterprise and				
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		51,675,004	46,911,278	
(c) Other current liabilities	8	28,050,336	31,023,800	
(d) Short Term Provisions	9	-	13,400,000	
		320,677,767	339,627,187	
<b>Total</b>		<b>786,224,503</b>	<b>783,738,476</b>	
<b>II ASSETS</b>				
<b>(1) Non-current assets</b>				
(a)Property, Plant and Equipment and Intangible Assets				
(i) Property, Plant & Equipment	10	242,813,850	242,625,179	
(ii) Intangible Assets		8,511,133	-	
(iii) Capital Work in progress		897,947	2,169,546	
(iv) Intangible assets under development		25,738,371	-	
		277,961,302	244,794,725	
c) Deferred tax assets (net)	-	-	-	
d) Long-term loans and advances	11	956,901	200,619	
e) Other non-current assets	12	11,661,251	11,623,751	
		290,579,454	256,619,095	
<b>(2) Current assets</b>				
(a) Inventories	13	322,869,800	291,034,200	
(b) Trade receivables	14	160,345,033	221,117,443	
(c) Cash and cash equivalents	15	2,613,139	615,559	
Cash and cash equivalents other than (c) above	16	1,776,920	1,580,725	
(d) Short-term loans and advances	17	2,707,410	5,136,847	
(e) Other Current Assets	18	5,332,746	7,634,607	
		495,645,049	527,119,382	
<b>Total</b>		<b>786,224,503</b>	<b>783,738,477</b>	
See accompanying notes forming part of the financial statements	1			

As per our report of even date attached

For Davinder Pal Singh & Co.

Chartered Accountants

Firm Reg. No. 07601N



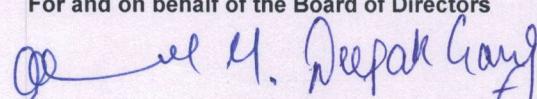
(Arun Rattan)  
Partner  
M. No. 508414

Place : Ludhiana

Dated : 28.08.2025

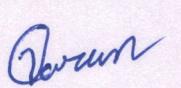
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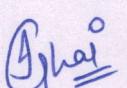
For and on behalf of the Board of Directors



(Abhishek Garg)  
Managing Director  
DIN: 00621845

(Deepak Garg)  
Director  
DIN: 08311407

  
(Varun Sharma)  
CFO  
PAN: BXLPS0977H

  
(Isha Ghai)  
Company Secretary  
PAN: CKVPG7383P

HAPPY STEELS LIMITED (Formerly known as Happy Steels Private limited)

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2025

CIN: U35923PB1996PLC018348

	Particulars	Note No.	Amount (In Rs.)	
			As at 31st March 2025	As at 31st March 2024
I	Revenue from operations	19	821,402,720	809,085,241
II	Other Income	20	3,840,437	13,299,454
III	<b>Total Income (I + II)</b>		<b>825,243,157</b>	<b>822,384,695</b>
IV	<b>Expenses:</b>			
	Cost of material consumed	21	480,588,803	516,002,078
	Changes in inventories of finished goods and work-in-progress	22	(25,422,300)	(93,507,600)
	Employee benefit expense	23	83,661,221	105,262,111
	Financial costs	24	28,608,640	25,442,337
	Depreciation and amortization expense	25	24,293,012	21,419,012
	Other expenses	26	199,606,201	183,656,736
	<b>Total Expenses</b>		<b>791,335,576</b>	<b>758,274,674</b>
V	Profit before tax (III - IV)		33,907,581	64,110,021
VI	<b>Tax expense:</b>			
	- Current tax		7,170,000	13,400,000
	- Taxes of earlier year		67,783	-
	- Deferred tax		1,357,623	2,458,752
VII	Profit/(Loss) for the period (V-VI)		25,312,175	48,251,269
XIII	Earning per equity share:			
	(1) Basic	17		32
	(2) Diluted	17		32

See accompanying notes forming part of the financial statements

As per our report of even date attached

For Davinder Pal Singh & Co.

Chartered Accountants

Firm Reg. No. 07601N

(Arun Rattan)

Partner

M. No. 508414



For and on behalf of the Board  
of Directors

*Abhishek Garg*  
(Abhishek Garg)  
Managing Director  
DIN: 00621845

*Deepak Garg*  
(Deepak Garg)  
Director  
DIN: 08311407

*Varun*  
(Varun Sharma)  
CFO  
PAN: BXLPS0977H

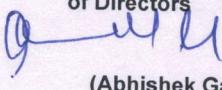
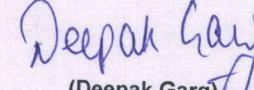
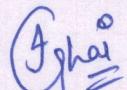
*Isha Ghai*  
(Isha Ghai)  
Company Secretary  
PAN: CKVPG7383P

Place : Ludhiana

Dated : 28.08.2025

UDIN: 25508414BNUKIQ8326

**HAPPY STEELS LIMITED (Formerly known as Happy Steels Private limited)**  
**CASH FLOW STATEMENT for the year ended 31st March, 2025**  
**CIN: U35923PB1996PLC018348**

Particulars	For the year ended 31 March 2025	Amount (In Rs.) For the year ended 31 March 2024
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	33,907,581	64,110,021
Adjustments for :		
Depreciation and amortization	24,293,012	21,419,012
Interest expense	28,608,640	25,442,337
Interest income	(138,400)	(460,383)
Gain on sale of property, plant & Equipment	(1,152,523)	(12,528,031)
<b>Operating profit before Working Capital changes</b>	<b>85,518,310</b>	<b>97,982,956</b>
Adjustments for :		
(Increase)/Decrease in inventories	(31,835,600)	(82,185,700)
(Increase)/Decrease in trade and other receivables	62,445,566	16,071,766
(Increase)/Decrease in Other Assets	2,264,360	-
Increase/(Decrease) in trade payables and other liabilities	4,002,943	(52,927,050)
Increase/(Decrease) in Short Term Provisions	(13,400,000)	-
<b>Cash Generated from Operation</b>	<b>108,995,579</b>	<b>(21,058,027)</b>
Taxes paid	(7,237,783)	(14,263,927)
<b>NET CASH FROM/ (USED IN) OPERATING ACTIVITIES</b>	<b>(A)</b>	<b>101,757,796</b>
		<b>(35,321,954)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for purchase of property, plant and equipment	(61,898,691)	(51,364,095)
Proceeds from Refund of property, plant and equipment	5,591,625	19,198,254
Encashment of bank deposits not considered as cash and cash equivalents	-	-
<b>NET CASH FROM/ (USED IN) INVESTING ACTIVITIES</b>	<b>(B)</b>	<b>(56,307,066)</b>
		<b>(32,165,841)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Redeemed of Preference share capital (net of expenses)	(5,234,351)	16,030,908
Proceeds/(repayment) from/of short term borrowings (net)	(9,552,363)	75,749,188
Interest paid	(28,470,240)	(24,981,954)
Dividend paid (Including tax)	-	-
<b>NET CASH FROM/ (USED IN) FINANCING ACTIVITIES</b>	<b>(C)</b>	<b>(43,256,954)</b>
		<b>66,798,142</b>
Net Increase/(Decrease) In cash & cash equivalents (A+B+C )	2,193,775	(689,652)
Cash & cash equivalents at beginning of year	2,196,284	2,885,936
Cash & cash equivalents at the end of year	4,390,059	2,196,284
<b>As per our report of even date attached</b>		
For Davinder Pal Singh & Co.		
Chartered Accountants		
Firm Reg. No. 07601N		
(Arun Rattan)		
Partner		
M. No. 508414		
Place : Ludhiana		
Dated : 28.08.2025		
<b>For and on behalf of the Board of Directors</b>		
		
(Abhishek Garg)	(Deepak Garg)	
Managing Director	Director	
DIN: 00621845	DIN: 08311407	
		
(Varun Sharma)	(Isha Ghai)	
CFO	Company Secretary	
PAN: BXLPS0977H	PAN: CKVPG7383P	



**HAPPY STEELS LIMITED (Formerly known as Happy Steels Private limited)**  
**Notes Forming Part of Financial Statements As On 31st March, 2025**

## Corporate Information

Happy Steels Limited [Formerly known as Happy Steels Private Limited] (the "Company") is an unlisted public company domiciled in India and is initially incorporated on 14th June 1996 as private limited company under the provisions of Companies Act, 1956. The company is engaged in the manufacturing and sales of different types of Automotive parts. Later on the company converted into public limited company with effect from 20th March 2025 in accordance with the provisions of Companies Act, 2013 as applicable in India.

## **1. Significant Accounting Policies**

### **1.1) Basis of preparation of financial statements**

The financial statement of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 the Companies Act, 2013, read with Rule 7 of the Companies Accounting Rules, 2014 and the relevant provisions of the Companies Act ("the 2013 Act"), 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

## 1.2) Use of Estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the balance sheet date, the reported amounts of revenues and expenses for the year and disclosure of contingent liability as at the Balance sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and future years affected.

### **1.3) Plant, Property & Equipment & Intangible assets**

## Plant, Property & Equipment

Plant, Property & Equipment except land are states at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, insurance, duties, levies, and all incidentals attributable to bringing the asset to its working condition for the intended use.

**Borrowing Costs** that are directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of the asset. Qualifying asset is one that take substantial period of time to get ready for intended use. Other borrowing cost are recognized as expense in period in which they are incurred.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance, all other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts are charged to statement of profit and loss in the period in which they are incurred.

Gain or loss arising from derecognition of fixed assets are measured as the difference between net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

## Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Goodwill arising on acquisition of business is carried at cost as established at the date of acquisition of business.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, which does not meet capitalisation criteria are not capitalised and expenditure is reflected in the year in which the expenditure is incurred.

## 1.4) Depreciation

Depreciation is provided on Straight Line method on the basis of useful lives of such assets in the manner specified in Schedule II to the Companies Act, 2013.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

## 1.5) Inventories

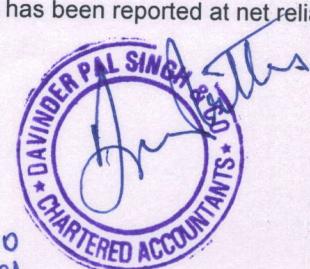
Inventories are valued at lower of cost or net realizable value except scrap which has been reported at net realizable value.

The cost formula used for valuation of inventories are as follows:

- i) In respect of raw material and stores and spares at First In First Out Basis.
- ii) In respect of work in Progress ,at cost of raw material plus conversion cost.
- iii) Finished Goods are valued at lower of cost or NRV (net realizable value).

or will it  
return

Deepak Gang  
Ghosh



### **1.6) Impairment of Assets**

At each Balance Sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. amount by which the carrying amount of an asset exceeds its recoverable amount is provided for in books of accounts.

### **1.7) Investments:**

Investments that are readily realizable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition. Provision, if any, is made to recognise a decline other than a temporary, in the value of long term investments.

### **1.8) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and demand deposits with an original maturity of less than three months, or less which are subject to an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and demand deposits.

### **1.9) Provisions and contingent liability & Contingent assets**

1) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if :-

- (i) the company has a present obligation as a result of past events ;
- (ii) a probable outflow of resources embodying economic benefits is expected to settle the obligation: and
- (iii) the amount of the obligation can be reliably estimated.

2) Contingent liability is disclosed in the case of :

- i) When it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or a reliable estimate of the amount of the obligation cannot be made.
- ii) possible obligation that arises from past events and existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a reliable estimate of the amount of the obligation cannot be made.

### **1.10) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

**Sale of Goods & Services:** Revenue from, sale of goods including cartage & Services is recognised in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

**Interest income:** Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**Other Income:** Other income is recognized on accrual basis

### **1.11) Expense:**

Expenditure is accounted on accrual basis and provision is made for all known losses and liabilities

### **1.12) Employees Benefits**

#### **(a) Short Term employee benefit**

Short term employee benefits comprising of wages and salaries, bonus and leave pay is accounted as expenditure in the period in which employees has rendered services in exchange of these benefits.

#### **(b) Post employment benefits**

These are classified under following category:-

##### **(i) Defined contribution plans**

Provident fund and ESIC are the defined contribution schemes offered by the Company. The contribution to these schemes is charged to statement of profit and loss of the year in which contribution to such schemes become due and when services are rendered by the employees.

##### **(ii) Defined Benefit Plans-Gratuity:**

It is accounted as expenditure in the period in which the gratuity is paid to employee.

*M. Deepak Garg*  
*Barun*  
*B. Ghai*



### **1.13) Taxation**

Tax expense comprises of current tax & deferred tax

Current Tax is the aggregate amount of income tax determined to be payable in respect of taxable income for period in accordance with the provisions of the Income Tax Act, 1961

Deferred Tax is accounted for in accordance with Accounting standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Deferred tax is the tax effect of timing differences between taxable income and accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax law enacted or subsequently enacted as at the reporting date.

### **1.14) Foreign currency transactions**

(i) Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

(iii) Exchange difference : Exchange differences arising on the settlement of monetary items or on reporting Company monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

### **1.15) Cash flow statement**

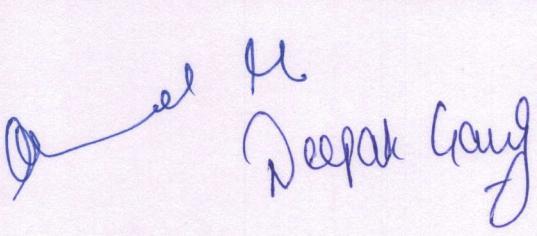
Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the company are segregated.

### **1.16) Operating cycle**

Based on nature of products/activities of the company and the normal time between acquisition of assets and their realization in cash and cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non- current.

### **1.17) Earning per share**

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share

  
Deepak Garg

  
DAVINDER PAL SINGH & CO.  
CHARTERED ACCOUNTANTS

  
Darshan  
Goyal

2 Share Capital

Particulars	Amount (In Rs.)	
	As at 31st March 2025	As at 31st March 2024
<b>Equity Share Capital</b>		
<b>a) Authorised Capital:</b>		
15,00,000 Equity shares of Rs. 10/- each (Previous Year: 15,00,000 Equity shares of Rs. 10/- each )	15,000,000	15,000,000
<b>Total (a)</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>b) Issued, subscribed and fully paid up capital:</b>		
14,99,740 Equity shares of Rs 10/- each (Previous Year: 14,99,740 Equity shares of Rs. 10/- each )	14,997,400	14,997,400
<b>Total (b)</b>	<b>14,997,400</b>	<b>14,997,400</b>
<b>c) Par value per share</b> Par value per equity share is Rs. 10/- each		
<b>d) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period</b>		

Equity Shares	(No of shares)	
	As at 31st March 2025	As at 31st March 2024
At the beginning of the reporting period	1,499,740	1,499,740
Add: Issued during the period	-	-
Outstanding at the end of the reporting period	1,499,740	1,499,740

**e) Rights, preferences and restrictions attached to equity shares**

The company presently has one class of equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of directors (if any) is subject to declaration by the shareholders in the annual general meeting and entitlement to dividend to an equity shareholder shall arise after such approval except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**f) Details of shares held by holding company /ultimate holding company their subsidiaries and associates**  
There is no holding or ultimate holding company of the company.

**g) Detail of shares held by shareholders holding more than 5% of shares of company**

Class of shares/name of shareholder	As at 31st March 2025		As at 31st March 2024	
	No of shares	Percentage of share holding	No of shares	Percentage of share holding
Parveen Kumar	1,156,750	77.13%	1,134,000	75.61%
Parveen Kumar (HUF)	92,750	6.18%	92,750	6.18%
Sanjeev Garg (HUF)	-	0.00%	101,150	6.74%

**h) No shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment.**

**i) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared no shares have been allotted pursuant to contract(s) without payment being received in cash and also no shares have been allotted as fully paid-up by way of bonus shares and no shares have been bought back.**

*Mr.  
Deepak Garg  
Baran  
Ghosh*



j) Terms of securities convertible into equity/preference shares.  
There are no securities convertible into equity/preference shares.

k) No calls were unpaid from any of the shareholder in any reporting period.

l) No shares were forfeited in any reporting period.

m) Shareholding of promoters

Promoters Name	As at 31st March 2025		As at 31st March 2024	
	Number of Shares	% of total shares	Number of Shares	% of total shares
Parveen Kumar	1,156,750	77.13%	1,134,000	75.61%
Parveen Kumar (HUF)	92,750	6.18%	92,750	6.18%
Abhishek Garg	69,525	4.64%	34,400	2.29%
Deepak Garg	69,425	4.63%	34,500	2.30%

3 Reserves and surplus

Particulars	Amount (In Rs.)	
	As at 31st March 2025	As at 31st March 2024
<b>Surplus i.e. balance in statement of profit and loss (Retained earnings)</b>		
Balance as per the last financial statements	290,642,460	243,255,117
Add : Profit/(loss) for the year transferred from statement of profit and loss	25,312,175	48,251,269
Less: Adjustments of earlier year(s)		(863,927)
Closing Balance	315,954,635	290,642,460



Mr. D.  
Deepak Garg

Parveen  
Garg

4 Long-term borrowings schedule		Amount (In Rs.)	
Particulars		As at 31st March 2025	As at 31st March 2024
<b>i) Secured</b>			
a) Term loans (secured)			
i) From banks		43,789,213	52,237,571
ii) Less :Current maturities of long term debt		9,531,234	16,715,619
Total (a) - Long term loans from banks (i-ii)		34,257,978	35,521,952
b) Loans from other parties (secured)			
Life Insurance corporation of India			
Total (b) - Loans from other parties			5,053,040
<b>Total long-term borrowings :Secured (a+b)</b>		<b>34,257,978</b>	<b>40,574,992</b>
<b>ii) Unsecured</b>			
c) Loans and advances from related parties (unsecured)			
i) From Directors		61,452,110	62,819,448
ii) From Shareholders		16,949,167	14,499,167
Total (c) - Loans and advances from related parties		78,401,277	77,318,615
<b>Total long-term borrowings :Unsecured (c)</b>		<b>78,401,277</b>	<b>77,318,615</b>
<b>Total long-term borrowings (a+b+c)</b>		<b>112,659,255</b>	<b>117,893,607</b>

**a) Details of security for term loans**

- i) Term loan of Rs. 4.37 crore in year ended 2025; from banks are secured by way of first pari passu charge of equitable mortgage created on company's immovable property situated at Vill. Jaspal Bhangar, properties at kanganwal road, together with all building and structures thereon and all the fixed assets of the company and second pari passu charge by way of hypothecation of current assets of the company.
- ii) Personal guarantee of the directors has been provided for all the term loans.
- iii) Loans from Life Insurance corporation of India is secured by key man insurance policy of directors which has been fully repaid upto the reporting period.

**b) Terms of repayment of term loans**

- i) HDFC Term loan of Rs. 2 crore is to be repaid in 82 monthly installments of Rs.3.23 lacs each commenced from March-2023.
- ii) HDFC Term loan of Rs. 1.90 crore is to be repaid in 49 monthly installments of Rs.5.99 lacs each commenced from June-2022.
- iii) HDFC Term loan of Rs. 1.84 crore is to be repaid in 92 monthly installments of Rs.1.60 lacs each commenced from Feb-2022.
- iv) HDFC Term loan of Rs. 53.3 lacs is to be repaid in 60 monthly installments of Rs.1.10 lacs each commenced from Jan-2025.
- v) HDFC Term loan of Rs. 31.2 lacs is to be repaid in 60 monthly installments of Rs.65 thousand each commenced from Jan-2025.
- vi) HDFC Term loan of Rs. 23 lacs is to be repaid in 74 monthly installments of Rs.43 thousand each commenced from Dec-2021.

c) No default in repayment of principal and interest thereon has occurred during any of the reporting periods.

5 Deferred tax liabilities schedule		Amount (In Rs.)	
Particulars		As at 31st March 2025	As at 31st March 2024
<b>Deferred tax liabilities (Refer Note 31)</b>			
Impact of difference between tax depreciation and depreciation /amortization charged to the financial statements		21,935,446	20,577,823
Deferred tax liability (Net)		21,935,446	20,577,823



Deepak Gang  
Davinder Pal Singh  
Gopal

6	<u>Short-term borrowings schedule</u>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
a)	Loans repayable on demand - From banks (secured) - From banks (unsecured)	219,959,175	222,327,153
b)	Current Maturities of Long Term Debt*	9,531,234	16,715,619
	<b>Total short-term borrowings (a+b)</b>	<b>229,490,409</b>	<b>239,042,772</b>

i) Personal guarantee of the directors has been provided for all the loans repayable on demand.

\* As per audited financials of the FY: 23-24, the current maturities of long term debt was presented in other current liabilities, which has been regrouped in current year.

8	<u>Other current liabilities schedule</u>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
	- Advance from Customers	4,009,296	10,968,987
	- Interest accrued and due on borrowings	278,806	312,857
	- Statutory Liabilities*	4,464,030	5,859,438
	- Other Payables*	12,015,001	5,565,771
	- Cheques issued but not presented	500,000	-
	- Due to employees*	6,783,203	8,316,747
	<b>Total Other current liabilities*</b>	<b>28,050,336</b>	<b>31,023,800</b>

\* Statutory remittances includes contribution to provident fund and ESIC, tax deducted at source, goods and service tax payable etc.  
\* Other payables include electricity expenses, director's salary payable and payable for miscellaneous expenses.  
\* Due to employees include salary & Wages, Bonus, Leave with wages.

\*The total of other current liabilities does not tally with the audited financials of the FY: 23-24 due to regrouping as per current year figures.

9	<u>Short Term Provisions</u>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
	Provision for Taxation (net of advance tax)	-	13,400,000
	<b>Total Short Term Provisions</b>	<b>-</b>	<b>13,400,000</b>

11	<u>Long-term loans and advances</u>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
	Long-term loans	-	-
	- Loans receivables considered good - Unsecured	-	-
	- Loans receivables considered good - Secured	-	-
	Capital advances	956,901	200,619
	<b>Total Long-term loans and advances</b>	<b>956,901</b>	<b>200,619</b>

12	<u>Other Non-current assets</u>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
	Security deposits	11,661,251	11,623,751
	Prepaid expenses	-	-
	<b>Total Other Non-current assets</b>	<b>11,661,251</b>	<b>11,623,751</b>

In FY: 23-24, Security deposits were grouped under long-term loans and advances which have been regrouped under non-current assets.

Deepak Garg  
CHARTERED ACCOUNTANT  
DAVIDSON PATEL & CO. \* PARTNERS

Ravneet Aggarwal

Particulars	Amount (In Rs.)
- Total outstanding dues of micro enterprises and small enterprise and (Refer note 30)	11,462,018
- Total outstanding dues of creditors other than micro enterprises and small enterprises Includes balances with related parties (refer Note 36)	51,675,004

## Trade Payables ageing schedule for the year ended as on 31st March, 2025

Particulars	Not Due	Outstanding for following periods from due date of Payment			Amount (In Rs.)
		Less than 1 year	1-2 years	2-3 years	
(i) MSME	11,462,018	-	-	-	
(ii) Others	23,290,743	28,384,261	-	-	
(iii) Disputed dues – MSME	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	
<b>Total</b>	<b>34,752,761</b>	<b>28,384,261</b>	<b>-</b>	<b>-</b>	<b>63,137,022</b>

## Trade Payables ageing schedule for the year ended as on 31st March, 2024

Particulars	Not Due	Outstanding for following periods from due date of Payment			Amount (In Rs.)
		Less than 1 year	1-2 years	2-3 years	
(i) MSME	9,249,336	-	-	-	
(ii) Others	29,881,607	16,990,813	38,858	-	
(iii) Disputed dues – MSME	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	
<b>Total</b>	<b>39,130,944</b>	<b>16,990,813</b>	<b>38,858</b>	<b>-</b>	<b>56,160,615</b>

Note: As per audited financials of the FY: 23-24, the trade payables were shown as Rs. 1,69,90,813. The remaining balances were grouped under other current liabilities which have been correctly grouped in current year under the head "Trade Payables".

Accordingly, there is a change in ageing of balances of trade payables as compared to audited financials of the FY: 23-24.



14  
Deepak Garg

Parman

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PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		Amount (In Rs.)	
	Balance as at 1 April, 2024	Additions	Disposal	Other adjustments	Balance as at 31 March, 2025	Balance as at 1 April, 2024	Depreciation/ amortisation expenses during the year	Balance as at 31 March, 2025	Balance as at 31 March, 2024	
<b>a) Tangible assets</b>										
Freehold Land	2,109,575	-	-	-	2,109,575	-	-	-	-	2,109,575
Factory Building	74,320,793	12,938,732	-	-	87,259,525	18,022,459	2,684,159	-	20,711,619	66,547,906
Plant and Machinery	351,200,710	11,477,509	6,948,669	-	355,729,550	186,513,401	15,327,653	2,509,567	199,331,487	156,398,063
Office equipments	10,233,358	1,783,517	-	-	12,016,875	5,323,273	1,070,911	-	6,394,184	5,622,691
Computer	4,920,769	462,749	-	-	5,383,518	4,355,376	511,042	-	4,866,418	517,100
Furniture and fixtures	6,531,201	533,304	-	-	7,064,505	3,364,715	577,342	-	3,942,057	3,122,448
Vehicles	28,126,466	-	-	-	28,126,466	17,233,469	2,396,931	-	19,630,399	8,496,067
<b>Total (a)</b>	<b>477,442,872</b>	<b>27,195,811</b>	<b>6,948,669</b>	-	<b>497,690,014</b>	<b>234,817,693</b>	<b>22,568,038</b>	<b>2,509,567</b>	<b>254,876,164</b>	<b>242,813,850</b>
<b>b) Intangible assets</b>	<b>-</b>	<b>10,236,107</b>	<b>-</b>	<b>-</b>	<b>10,236,107</b>	<b>-</b>	<b>1,724,974</b>	<b>-</b>	<b>1,724,974</b>	<b>8,511,133</b>
<b>Current year (a + b)</b>	<b>477,442,872</b>	<b>37,431,918</b>	<b>6,948,669</b>	-	<b>507,926,121</b>	<b>234,817,693</b>	<b>24,293,012</b>	<b>2,509,567</b>	<b>256,601,137</b>	<b>251,324,984</b>
										<b>242,625,179</b>

## b) Property, Plant &amp; Equipment schedule as at 31st March 2024

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		Amount (In Rs.)	
	Balance as at 1 April, 2023	Additions	Disposal	Other adjustments	Balance as at 31 March, 2024	Balance as at 1 April, 2023	Depreciation/ amortisation expenses during the year	Balance as at 31 March, 2024	Balance as at 31 March, 2023	
<b>a) Tangible assets</b>										
Freehold Land	4,539,575	-	2,430,000	-	2,109,575	-	-	-	-	2,109,575
Factory Building	74,940,602	1,124,078	1,743,887	-	74,320,793	16,780,742	2,679,765	1,433,048	18,027,459	56,293,334
Plant and Machinery	327,080,690	39,998,431	15,878,412	-	351,200,710	184,232,278	15,744,159	13,463,037	186,513,401	164,687,309
Office equipments	7,984,308	2,249,050	-	-	10,233,358	4,775,204	548,069	-	5,323,273	4,910,085
Computer	4,791,192	129,577	-	-	4,920,769	4,190,962	164,414	-	4,355,376	3,209,104
Furniture and fixtures	5,460,001	1,071,200	-	-	6,531,201	2,979,556	385,159	-	3,364,715	565,393
Vehicles	24,031,855	4,622,213	527,602	-	28,126,466	15,523,202	2,211,489	501,222	17,233,469	600,230
<b>Total (a)</b>	<b>448,828,223</b>	<b>49,194,550</b>	<b>20,579,901</b>	-	<b>477,442,872</b>	<b>228,481,944</b>	<b>21,733,055</b>	<b>15,397,307</b>	<b>234,817,693</b>	<b>242,625,179</b>
<b>b) Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current year (a + b)</b>	<b>448,828,223</b>	<b>49,194,550</b>	<b>20,579,901</b>	-	<b>477,442,872</b>	<b>228,481,944</b>	<b>21,733,055</b>	<b>15,397,307</b>	<b>234,817,693</b>	<b>242,625,179</b>
										<b>220,346,279</b>

DAVIDINDER PAL SINGH & CO. \* CHARTERED ACCOUNTANTS

Deepak Singh  
Bhagat Singh  
Ranbir Singh

13	<b>Inventories</b>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
- Raw Material	15,748,100	9,334,800	
- Work In Progress	162,671,400	139,370,900	
- Finished Goods	123,310,300	121,932,400	
- Stores & Spares	21,140,000	20,396,100	
Total Inventories	322,869,800	291,034,200	

15	<b>Cash &amp; Cash Equivalents</b>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
Cash in hand	2,539,148	613,932	
Balances with banks			
- In current accounts	73,991	1,626	
- Deposits with maturity of less than three months	-	-	
Total Cash & Cash Equivalents	2,613,139	615,559	

16	<b>Other bank balances</b>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
Earmarked balances with banks :			
- Deposits with maturity more than three months but less than twelve months	1,776,920	1,580,725	
(For bank guarantees maturing within one year)			
Total Other bank balances	1,776,920	1,580,725	

17	<b>Short-term loans and advances</b>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
Unsecured, considered good			
Others:			
Advances to supplier's	2,707,410	5,136,847	
Security deposits	-	-	
Total Short-term loans and advances	2,707,410	5,136,847	

18	<b>Other Current Assets</b>	Amount (In Rs.)	
		As at 31st March 2025	As at 31st March 2024
Prepaid expenses	995,600	574,140	
Other recoverables*	4,007,147	7,060,467	
Excess Income Tax (net of advance tax)	330,000	-	
Total Other Current Assets	5,332,746	7,634,607	

\*Other recoverables includes export incentives receivable, tax deducted at source and others.

Deepak Garg  
Daren Ghal



Particulars	As at 31st March 2025	As at 31st March 2024	Amount (In Rs.)
Secured, Considered Good	-	-	
Unsecured, Considered Good	160,345,033	221,117,443	
Doubtful	1,768,050	-	
<b>Total Trade Receivables (Gross)*</b>	<b>162,113,083</b>	<b>221,117,443</b>	
Less: Allowance for credit losses	(1,768,050)	-	
<b>Total Trade Receivables (Net)</b>	<b>160,345,033</b>	<b>221,117,443</b>	

\* Includes balances with related parties (refer Note 36 )

**Trade receivables ageing schedule for the year ended as on 31st March, 2025**

Particulars	Not Due	Less than 6 months	6 months - 1 year	Outstanding for following periods from due date of Payment	Amount (In Rs.)		
				1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables-considered good	149,821,908	7,242,441	3,280,684	-	-	-	160,345,033
ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-	1,768,050
iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Total Trade Receivables (Gross)</b>	<b>149,821,908</b>	<b>7,242,441</b>	<b>3,280,684</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: Allowance for credit losses	-	-	-	-	-	-	-
<b>Total Trade Receivables (Net)</b>	<b>149,821,908</b>	<b>7,242,441</b>	<b>3,280,684</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
					<b>3,536,100</b>		<b>160,345,033</b>

**Trade receivables ageing schedule for the year ended as on 31st March, 2024**

Particulars	Not Due	Less than 6 months	6 months - 1 year	Outstanding for following periods from due date of Payment	Amount (In Rs.)		
				1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables-considered good	165,865,745	32,445,995	14,605,031	493,458	5,521,526	2,185,688	221,117,443
ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-	-
iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Total Trade Receivables (Gross)</b>	<b>165,865,745</b>	<b>32,445,995</b>	<b>14,605,031</b>	<b>493,458</b>	<b>5,521,526</b>	<b>2,185,688</b>	<b>221,117,443</b>
Less: Allowance for credit losses	-	-	-	-	-	-	-
<b>Total Trade Receivables (Net)</b>	<b>165,865,745</b>	<b>32,445,995</b>	<b>14,605,031</b>	<b>493,458</b>	<b>5,521,526</b>	<b>2,185,688</b>	<b>221,117,443</b>



21 M.  
Deepak Singh  
Grewal, Daman

19	<u>Revenue from operations</u>	Amount (In Rs.)	
		For the year ended 31st March 2025	For the year ended 31st March 2024
	Sale of products: Domestic	738,469,920	805,138,817
	Sale of products: Export	82,932,800	3,946,424
	Total Revenue from operations	821,402,720	809,085,241

20	<u>Other Income</u>	Amount (In Rs.)	
		For the year ended 31st March 2025	For the year ended 31st March 2024
	Excess provision written back	-	238,918
	Interest income	138,400	460,383
	Export Incentives	1,838,366	-
	Foreign exchange gain/loss	711,148	-
	Other miscellaneous income	-	-
	Gain on sale of Property, Plant & Equipment*	1,152,523	12,528,031
	Total other income	3,840,437	13,299,454

\* As per audited financials of F.Y. 23-24 gain on sale of gain on sale of Property, Plant & Equipment was grouped under "Exceptional items" which has been grouped under "other income" in current period.

21	<u>Cost of material consumed</u>	Amount (In Rs.)	
		For the year ended 31st March 2025	For the year ended 31st March 2024
	Raw material consumed	480,588,803	516,002,078
		480,588,803	516,002,078

22	<u>Changes in inventories of finished goods and work-in-progress</u>	Amount (In Rs.)	
		For the year ended 31st March 2025	For the year ended 31st March 2024
	(a) Opening Stock		
	Finished Goods	121,932,400	39,921,100
	Work in progress	139,370,900	135,682,300
	Stores & Spares	20,396,100	12,588,400
	Total Opening Stock (a)	281,699,400	188,191,800
	(b) Closing Stock		
	Finished Goods	123,310,300	121,932,400
	Work in progress	162,671,400	139,370,900
	Stores & Spares	21,140,000	20,396,100
	Total closing Stock (b)	307,121,700	281,699,400
	Total Changes in inventories of finished goods and work-in-progress	(25,422,300)	(93,507,600)

23	<u>Employee benefit expenses</u>	Amount (In Rs.)	
		For the year ended 31st March 2025	For the year ended 31st March 2024
	Salaries and wages	61,645,194	83,953,370
	Contribution to provident and other funds	7,341,646	8,277,632
	Staff welfare expenses	1,485,187	701,109
	Director's remuneration	13,189,194	12,330,000
	Total Employee benefit expenses	83,661,221	105,262,111

\*In F.Y. 23-24 contractual-labourer-wages is grouped under "other expenses" which has been regrouped in " salary & wages" in current year.

4-  
Deepak Garg  
Ravneet Ghar



24

**Financial costs**

Particulars	Amount (In Rs.)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest expense on :		
- Banks borrowings	3,943,441	4,864,192
- Others (WCDL)	22,916,401	16,997,007
Other borrowing cost	1,748,797	3,581,138
Total Financial costs	28,608,640	25,442,337

25

**Depreciation and amortization expense**

Particulars	Amount (In Rs.)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Depreciation on Property, Plant & Equipment		
Amortisation of Intangible assets	22,568,038	21,419,012
1,724,974		-
Total Depreciation and amortization expense	24,293,012	21,419,012

26

**Other expenses**

Particulars	Amount (In Rs.)	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Consumption of stores & spares		
Job-work expenses	24,030,700	29,600,788
Power and Fuel	39,817,493	24,266,917
Repairs & Maintenance	75,196,132	76,314,062
- Building	3,028,492	14,105,561
- Machinery	7,958,113	3,287,332
- Others	3,749,525	2,129,297
Provision for doubtful debts	1,768,050	-
Bad Debts Written off	4,318,735	-
Insurance	1,518,817	1,950,218
Rates & Taxes	-	213,422
Freight	12,812,571	10,039,268
Forwarding & clearing charges	1,920,788	-
Sales commission	3,663,159	1,705,820
Travelling Expenses:		
- Directors	525,832	1,356,094
- Others	1,813,326	1,351,288
Packing Expenses	10,859,084	9,782,761
General Expenses	2,030,571	1,742,225
Annual maintenance charges	928,013	669,466
CSR Expense	500,000	-
Exhibition Expenses	47,951	791,207
Legal & Professional Charges	1,678,358	1,758,620
Software Charges	123,338	1,087,000
Printing & Stationery	476,069	418,998
Audit fees	50,000	45,000
Other miscellaneous expenses	791,084	1,041,393
Total Other expenses	199,606,201	183,656,736



24  
 Deepak Garg  
 Daran Ghai

**27 Contingent liabilities and commitments (to the extent not provided as no cash flow is expected)**

<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>Amount (In Rs.)</b>
	<b>As at 31st March 2024</b>	
a) Claims against the company not acknowledged as debts	1,939,883	1,939,883
b) Guarantees:	NIL	NIL
c) <u>Commitments</u> : Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	13,604,133	10,769,186

**28 Earnings Per Share (EPS)**

The calculation of earnings per share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Accounting Standard (AS) 20 "Earning Per Share"

A Statement on calculation of basic and diluted EPS is as under:

<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>As at 31st March 2024</b>
Net Profit attributable to equity shareholders (A) (Rs.)	25,312,175	48,251,269
Weighted average number of basic equity shares (B)	1,499,740	1,499,740
Basic earning per share (A)/(B) (Rs.)	16.88	32.17
Diluted earning per share (A)/(B) (Rs.)	16.88	32.17
Face value per equity share (Rs.)	10	10

**29** In accordance with the Accounting Standards (AS) 28 on "Impairment of Assets" the company has assessed as on balance sheet date, whether there are any indications (listed on paragraphs 8 to 10 of the standard) with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal, estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

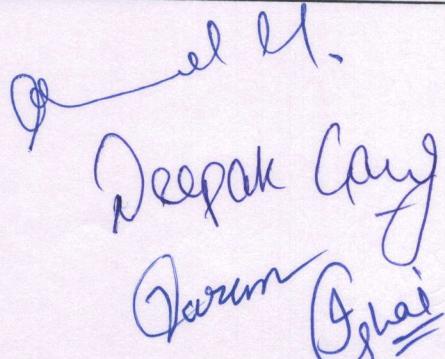
**30** Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

<b>Particulars</b>	<b>As at 31st March 2025</b>	<b>Amount (In Rs.)</b>
	<b>As at 31st March 2024</b>	
a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	11,462,018	9,249,336
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above stated information has been determined on the basis of data available with the management. This has been relied upon by the auditors.

**31** The detail of deferred tax liabilities and assets as per Accounting Standard – AS 22 on "Accounting for Taxes on Income" as at the end of each reporting period is as under:

<b>Nature of Timing Difference</b>	<b>Deferred Tax Liability (Assets) as on 31.03.2024</b>	<b>Movement during the year</b>	<b>Deferred Tax Liability (Assets) as on 31.03.2025</b>
<b>Deferred Tax Liability</b>			
(On account of difference between depreciation as per Companies Act,2013 and Income Tax Act, 1956)	20,577,823	1,357,623	21,935,446
<b>Deferred Tax Assets</b>			
<b>Deferred Tax Liability (Net)</b>	20,577,823	1,357,623	21,935,446

  
 Deepak Singh  
 Partner  
 Ghai



	Amount (In Rs.)				
	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
a) Capital projects in progress		897,947			
b) Intangible asset under development		25,738,371			
<b>b) Capital Work in Progress (CWIP)/ Intangible asset under development aging schedule as at 31st March 2024</b>					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	
a) Capital projects in progress	2,169,546				
b) Intangible asset under development					

No project in capital work-in-progress as on 31st March 2024 & 31st March 2025 has become overdue nor its cost has exceeded compared to its original plan.

### 33 Auditor's Remuneration

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory Audit Fees	50,000	45,000

### 34 Transactions in Foreign currency

Particulars	As at 31st March 2025	As at 31st March 2024
Foreign currency earnings		
a) Export of goods	82,932,800	3,946,424
Foreign currency expenditure		
a) Sales commission	2,426,724	500,744

### 35 Corporate Social Responsibility (CSR):

The company is covered under section 135 of companies Act, the following are the disclosures with regard to CSR activities :-

Particulars	As at 31st March 2025	As at 31st March 2024
Amount required to be spent by the company during the year	464,597	-
Amount of expenditure incurred (including excess amount incurred in previous year)	500,000	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	Not Applicable	Not Applicable
Excess amount spent	35,403	-
Nature of CSR activities	Social	Not Applicable

Deepak Garg  
Darshan  
Ghai



36 **Related Party Disclosure:** The disclosure of the relationship and the transactions with the related party as required by Accounting standard (AS)-18 "Related Party Disclosures" is as under

**A Related Parties and their relationship**

**Key Management Personnel [Para 3(d) of AS-18]:**

	Name	Category
1	Abhishek Garg	Managing Director
2	Parveen Garg	Director
3	Deepak Garg	Director
4	Vikas Giya	Director
5	Isha Ghai	Company Secretary
6	Harshit Chhabra	Chief Financial Officer (upto 17th March, 2025)

**B Enterprises/Personnel under Significant Influence of Key Management Personnel and their Relatives [Para 3(e) of AS-18]:**

1	Sanjeev Garg
2	Neeraj Garg
3	Bindu Garg
4	Parveen Kumar (HUF)
5	Happy Axle & Gear Private Limited
6	Happy Autocomp Private Limited
7	Northstar Autocomp Private Limited
8	Happy Forgings Limited

**Related Parties Transactions**

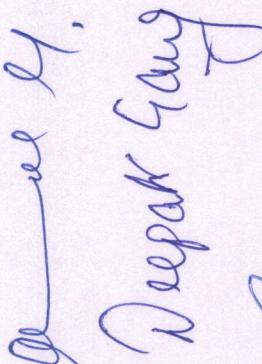
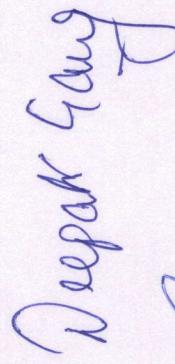
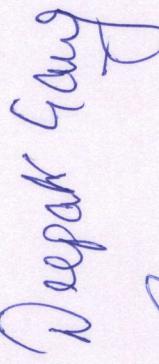
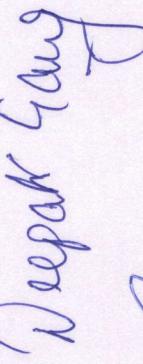
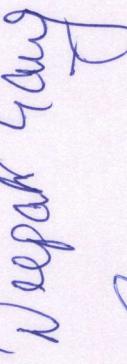
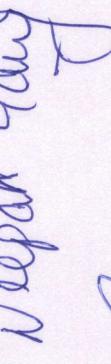
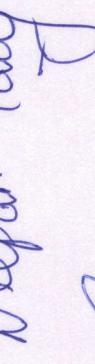
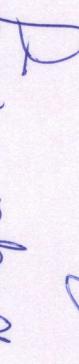
Related Party	Nature of Transaction	As at 31st March 2025		As at 31st March 2024	
		Amount	Outstanding Balance	Amount	Outstanding Balance
Parveen Garg	Remuneration	4,200,000	1,440,445	4,050,000	255,995
	Loan taken	106,376,500	44,192,677	104,497,000	30,859,975
	Loan Repaid	93,043,798		122,658,411	
Abhishek Garg	Remuneration	4,200,000	1,876,955	4,050,000	222,995
	Loan taken	24,769,076	11,895,854	39,329,825	20,471,055
	Loan Repaid	33,344,277		20,964,236	
Deepak Garg	Remuneration	4,200,000	2,352,945	4,050,000	222,995
	Loan taken	20,774,936	5,363,580	21,491,300	11,488,418
	Loan Repaid	27,290,465		14,883,151	
Parveen Kumar (HUF)	Remuneration	-	-	150,000	-
	Loan taken	-	9,652,838	-	9,652,838
	Loan Repaid	-		-	
Neeraj Garg	Remuneration	64,839	57,033	180,000	-
Sanjeev Garg	Remuneration	524,355	461,372	180,000	-
Happy Axle & Gear Private Limited	Purchase of goods	20,855,787	13,863,623	117,594,890	36,317,786
	Sale of goods	23,808,288		9,878,230	
Happy Autocomp Private Limited	Purchase of goods	15,794,436	12,323,873	6,107,790	8,253,014
	Sale of goods	10,226,640		83,811,760	
Northstar Autocomp Private Limited	Purchase of goods	61,362,126	811,300	144,687,962	(19,930,544)
	Sale of goods	922,553		9,805,714	
Happy Forgings Limited	Purchase of goods	4,260,554	4,066,467	8,901,564	(2,462,785)
	Sale of goods	10,854,515		7,165,216	
Isha Ghai	Remuneration	126,467	34,996	-	-
Harshit Chhabra	Remuneration	81,862	1,457	-	-

Deepak Garg  
Isha Ghai  
Harshit Chhabra



S. No.	Ratios	Numerator	Denominator	For the year ended 31st March 2025	For the year ended 31st March 2024	Variation	Explanation for any change in the ratio by more than 25% as compared to the preceding year
1	Current Ratio (Times)	Current Assets	Current Liabilities	1.55	1.55	-0.41%	
2	Debt-Equity Ratio (Times), Debt service coverage ratio (Times)	Total Debts Net Operating Income: Profit after tax + Finance costs+ Depreciation and amortization expenses + Loss/(Gain) on sale of Property Plant & Equipment + Exceptional items	Total Equity Annual debt service: Finance Costs + lease payments + Scheduled principal repayments of long term borrowings	1.03 0.37	1.17 0.41	-11.47% -9.37%	
3							
4	Return on equity ratio (%)	Profit after tax	Shareholder's equity	10.25%	20.98%	-51.16%	Due to fall in profits as compared to previous year.
5	Inventory Turnover ratio (Days)	Sale of products	Average Inventory	135.76	110.93	22.38%	
6	Trade receivables turnover ratio (Days)	Sale of products	Average Trade receivables	84.75	102.48	-17.30%	
7	Trade payables turnover ratio (Days)	Sale of products	Average Trade payables	26.51	42.97	-38.31%	Due to less credit period from vendors as compared to previous period, the ratio has improved.
8	Net capital turnover ratio (Days)	Net Sales	Working Capital	77.75	84.58	-8.08%	
9	Net profit ratio (%)	Profit after tax	Revenue from operations	3.07%	5.87%	-47.72%	Due to fall in profits as compared to previous year.
10	Return on capital employed ratio (%)	Earning before interest & tax	Capital employed	9.29%	13.52%	-31.28%	Due to fall in profits as compared to previous year.
11	Return on investment	Income generated from invested funds	Time weighted average invested funds in investments	Not Applicable	Not Applicable		



  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
<img alt="Signature of Deepak Garg" data-bbox="3540 568 7

### 38 Other Statutory Information

- 1 The Company neither have any Benami property, nor any proceeding has been initiated or pending against the Company for holding any Benami property.
- 2 The Company does not have any transactions with companies struck off.
- 3 The Company does not have any charges or satisfaction which is yet to be registered with Registrar Of Companies (ROC) beyond the statutory period.
- 4 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- 5 The Company has not advanced or loaned or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 6 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 7 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 8 There is no Immovable Properties Title deeds of those are not held in the name of the Company.
- 9 No revaluation of Property, Plant & Equipment & Intangible assets has been carried out during the year.
- 10 The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are :
  - a) repayable on demand; or
  - b) without specifying any terms or period of repayment.
- 11 The company has not defaulted on loan from any bank or financial Institution or other lender.
- 12 Compliance with approved Scheme(s) on the basis of security of current assets - Not Applicable
- 13 The company has borrowings from banks, secured by hypothecation of inventories and by a charge on book debts and other assets of the company, and quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts without any material discrepancies.
- 14 The company is not declared wilful defaulter by any bank or financial institution or other lender.
- 15 The company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.
- 16 The company has used the borrowings from bank for specific purpose for which it was taken at the balance sheet date.

*Deepak Gang*  
*Qasim*  
*Ghai*

