

UNDERWRITING AGREEMENT

FOR INITIAL PUBLIC ISSUE OF

HAPPY STEELS LIMITED

AMONGST

HAPPY STEELS LIMITED

[Formerly known as, Happy Steels Private Limited]

(Issuer Company)

AND

SHARE INDIA CAPITAL SERVICES PRIVATE LIMITED

(Book Running Lead Manager and Underwriter to the Issue)

AND

[MASTER CAPITAL SERVICES LIMITED]

(Co-Book Running Lead Manager)

DATED: June 16, 2026

For HAPPY STEELS LIMITED


Abhishek Garg
Managing Director
DIN-00621845



Master Capital Services Ltd


Director

UNDERWRITING AGREEMENT

THIS UNDERWRITING AGREEMENT is made at **Ludhiana, Punjab** on **June 16, 2026**, and entered into by and amongst:

HAPPY STEELS LIMITED, a company incorporated under the **Companies Act, 1956**, having its Registered Office at **Kanganwal Road, Jaspal Banger, Ludhiana-141122, Punjab, India** (hereinafter referred to as "**HSL**", or "**Issuer Company**"), which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **FIRST PART**:

AND

SHARE INDIA CAPITAL SERVICES PRIVATE LIMITED, a company incorporated under the Companies Act, 2013, bearing SEBI Registration Number INM000012537, having its Registered Office at A-25, Basement, Sector-64, Noida – 201301, Uttar Pradesh, India (hereinafter referred to as "**SICSPL**", "**BRLM**", "**Lead Manager**", "**Book Running Lead Manager**" or "**Underwriter**"), which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **SECOND PART**.

AND

MASTER CAPITAL SERVICES LIMITED, a company incorporated under the Companies Act, 1956/2013, bearing SEBI Registration Number INM000000107, having its Registered Office at A-852-A, Basement, Sushant Lok, Phase-I, Gurgaon, Gurugram-122002, Haryana, India (hereinafter referred to as "**[MCSL]**", "**Co- Book Running Lead Manager**" or "**CLM**"), which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns, of the **THIRD PART**.

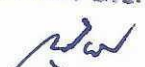
In this Agreement: (i) Share India Capital Services Private Limited is referred to as the "**Lead Manager**", "**BRLM**", "**Book Running Lead Manager**", or "**Underwriter**"; (ii) Master Capital Services Limited is referred to as the "**Co-Book Running Lead Manager**" or "**CLM**"; and (iii) the Book Running Lead Manager and the Co-Book Running Lead Manager are collectively referred to as the "**Lead Managers**" or "**BRLMs**", and individually as a "**Book Running Lead Manager**".

For **HAPPY STEELS LIMITED**


Abhishek Garg



Master Capital Services Ltd.



RECITALS

WHEREAS:

- (a) The Issuer Company **Happy Steels Limited** proposes to make an Initial Public Offer of up to **38,50,000** Equity Shares for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share), aggregating to Rs. [●] Lakhs (the “**Issue**”), comprising a fresh issue of up to **38,50,000** Equity Shares aggregating to Rs. [●] Lakhs (the “**Fresh Issue**”).
- (b) The shares offered for allotment in the Issue comprise:
- (i) **Market Maker Reservation Portion:** at least 5% of the Issue as mutually agreed upon; and
 - (ii) **Net Issue to the Public:** The Net Issue i.e. Issue size adjusted for market maker portion as mutually agreed upon, shall comprise of issue of shares to QIBs, Non-Institutional Applicants, and Retail Individual Applicants.
- (c) The Issue shall be conducted through the Book Built method/process.
- (d) The Issuer Company has obtained approval for the Issue pursuant to the Board Resolution dated **December 29, 2025**. The Issuer Company passed a Special Resolution under Section 62(1)(c) of the Companies Act, 2013, at the Extraordinary General Meeting (EGM) / Annual General Meeting (AGM) held on **January, 07, 2026**, authorising the Directors, or any other authorised representative, to issue and sign the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, this Agreement, and all other writings required in pursuance of the Issue.

One of the requirements of issuing shares to the public under **Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018**, as specified in **Regulation 260** thereof, is that the Issue shall be mandatorily underwritten to the extent of one hundred per cent. (100%) of the total Issue size and shall not be restricted up to the minimum subscription level.

In accordance with **Regulation 260(1) and (2)** of the SEBI (ICDR) Regulations, 2018, Share India Capital Services Private Limited (“Book Running Lead Manager” / “Underwriter”) shall, as the Book Running Lead Manager, underwrite a minimum of fifteen per cent. (15%) of the total Issue size on its own account, which is the mandatory statutory minimum prescribed exclusively for the lead manager(s) under Regulation 260(2). The remaining 85% of the total Issue size shall be underwritten by Share India

For **HAPPY STEELS LIMITED**

MD

[Signature]



Share India Capital Services Ltd.

[Signature]

Capital Services Private Limited (“Underwriter”), such that the aggregate underwriting commitment of Underwriter constitutes one hundred per cent. (100%) of the total Issue size. The specific underwriting commitments of the Underwriter, are set out in the table in Clause 2.1 of this Agreement.


Provided that, in accordance with **Regulation 260(5)** of the SEBI (ICDR) Regulations, 2018, if any of the Underwriters fails to fulfil its underwriting obligations or the nominated investors fail to subscribe to the unsubscribed portion, the Book Running Lead Manager (as the designated book running lead manager) shall fulfil such defaulted underwriting obligations in addition to its own minimum underwriting commitment, without any limitation.

The Lead Manager (as the coordinating book running lead manager, on behalf of both book running Lead Managers) shall, not later than one (1) Business Day prior to the opening of the Issue, file an undertaking with the Board confirming that the Issue has been 100% underwritten, together with a complete list of all underwriters, nominated investors, and sub-underwriters, indicating the extent of underwriting or subscription commitment made by each of them, in accordance with **Regulation 260(4)** of the SEBI (ICDR) Regulations, 2018.

(e) The Issuer Company has approached Share India Capital Services Private Limited for being appointed as Book Running Lead Manager and Underwriter for this Issue. Share India Capital Services Private Limited, being a Category I Merchant Banker registered with SEBI bearing Registration No. INM000012537, has accepted such proposal and confirmed that there is no conflict of interest arising from such transaction or arrangement.

(ee) The Issuer Company has also approached Master Capital Services Limited for being appointed as Co- Book Running Lead Manager. Master Capital Services Limited, being a Category I Merchant Banker registered with SEBI bearing Registration No. INM000000107, has accepted such proposal and confirmed that there is no conflict of interest arising from such transaction or arrangement.

(f) Hence, Share India Capital Services Private Limited (as Book Running Lead Manager / Underwriter) and Master Capital Services Limited (as Co- Book Running Lead Manager) shall collectively act as Lead Managers and Share India Capital Services Private Limited shall act as Underwriter to this Issue, and all the Parties herein have therefore agreed to enter into this Agreement for the purpose of underwriting in accordance with the SEBI (Merchant Bankers) Regulations, 1992, as amended, and Regulation 260 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

For HAPPY STEELS LIMITED

Abhishek Garg
Managing Director



Master Capital Services Ltd


Director

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS SET FORTH HEREIN, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, IT IS AGREED AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In addition to the defined terms contained elsewhere in this Agreement, the following expressions shall have the meanings assigned to them below:

"Affiliate" with respect to a specified Person, means any other Person (a) directly or indirectly controlling, controlled by, or under common control with such specified Person; or (b) who is a Relative of such Person or of their Affiliate. For purposes of this definition, "controlling", "controlled by", or "under common control with" mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

"Agreement" shall have the meaning given to it in the preamble.

"Allotment" means the allotment of Equity Shares pursuant to the Issue to successful Applicants, as the context requires.

"Applicant" means any prospective investor who has made an application in accordance with the Draft Red Herring Prospectus, Red Herring Prospectus, and/or the Prospectus.

"Application" means an indication, during the Application Period, by a prospective investor to subscribe to the Issue Shares at the Issue Price, including all revisions and modifications thereto.

"Application Amount" means the Issue Price indicated in the Application Form and payable by an Applicant upon submission of the Application.

"Application Form" means the form in terms of which the Applicant shall make an offer to subscribe to the Issue Shares.

"Application/Issue Opening Date" means the date on which the Collection Bankers shall start accepting Applications for the Issue, as notified in a widely circulated English National Newspaper, a Hindi National Newspaper, and a regional newspaper.

"Application/Issue Closing Date" means the date on completion of the Application hours after which the Collection Bankers shall not accept any Application, as notified in the same newspapers.

For HAPPY STEELS LIMITED


Abhishek Gera



Master Capital Services Ltd.



“Application/Issue Period” means the period between the Application Opening Date and the Application Closing Date, both dates inclusive, during which Applicants may submit their Applications.

“Banker Agreements” means the agreement(s) entered into, or to be entered into, by and among the Issuer Company, the Lead Manager, the Co-Lead Manager, the Registrar, and the Bankers to the Issue.

“Banker to the Issue” means the bank appointed as the Public Issue Bank and Sponsor Bank, with which the Public Issue Account of the Company is to be opened, and which shall also act as Sponsor Bank to manage the UPI payment mechanism for the Issue, in terms of the Bankers to the Issue Agreement and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019.

“BRLM or Book Running Lead Manager or Underwriter” means Share India Capital Services Private Limited, being the Book Running Lead Manager and Underwriter to the Issue bearing SEBI Registration No. INM000012537.

“Co- Book Running Lead Manager” means Master Capital Services Limited, being the Co-Lead Manager, bearing SEBI Registration No. INM000000107.

“Book Running Lead Managers or BRLMs” means, collectively, the Book Running Lead Manager (SICSPL) and the Co- Book Running Lead Manager (MCSL), and “Book Running Lead Manager” or “BRLM” means either one of them, as the context requires.

“Business Day” means a day on which the principal commercial banks in Mumbai are open for business during normal banking hours.

“Closing/Allotment Date” means the date of allotment of the Issue Shares by the Issuer Company in accordance with the Prospectus, which shall not be later than six (6) Working Days from the Issue Closing Date (T+6), in accordance with the SEBI circular on timelines for IPO processes, unless otherwise mutually agreed in writing between the Book Running Lead Managers and the Issuer Company.

“Companies Act” means the Companies Act, 1956 and/or the Companies Act, 2013, as applicable, and as amended from time to time.

“Confirmation of Allocation Note (CAN)” means the note, advice, or intimation of allocation of Equity Shares sent to Applicants who have been allocated Equity Shares.

“Designated Stock Exchange” means the Small and Medium Enterprises (SME) platform of the relevant stock exchange as specified in the Prospectus.

“Draft Red Herring Prospectus (DRHP)” means the Draft Red Herring Prospectus to be filed with the Designated Stock Exchange in accordance with Chapter IX of the SEBI (ICDR) Regulations, 2018, for obtaining in-principle listing approval from the Designated Stock Exchange.

“Escrow Account” means the escrow account opened, or to be opened, by the Issuer Company with a designated Escrow Collection Bank to collect subscription monies pursuant to this Issue.

For HAPPY STEELS LIMITED


Abhishek Garg
Managing Director



Master Capital Services Ltd


Director

“**FEMA**” means the Foreign Exchange Management Act, 1999, as amended, and the regulations framed thereunder.

“**Indemnified Party**” shall have the meaning given to it in Clause 10 of this Agreement, and shall include the Book Running Lead Manager, the Co- Book Running Lead Manager, and their respective Affiliates, directors, officers, employees, and agents.

“**Indemnifying Party**” shall have the meaning given to it in Clause 10 of this Agreement.

“**Inter-se Allocation of Responsibilities**” means the document setting out the specific roles, duties, and responsibilities allocated as between the Book Running Lead Manager and the Co- Book Running Lead Manager, as filed with the Designated Stock Exchange along with the DRHP.

“**Issue**” means the issue of up to **37,88,000** Equity Shares of face value Rs. 10.00 each at an Issue Price of Rs. [●] per share (including a premium of Rs. [●] per share), aggregating to Rs. [●] Lakhs, in accordance with Chapter IX of the SEBI (ICDR) Regulations, 2018.

“**Issue Amount**” means the product of the Issue Price and the total number of Equity Shares allotted pursuant to this Issue, including any over-allotment for round lots, if any.

“**Issue Agreement**” means the agreement dated January 15, 2026 between the Issuer Company, the Book Running Lead Manager, and the Co- Book Running Lead Manager.

“**Issue Document(s)**” means and includes the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, and Application Form, as approved by the Board of Directors of the Issuer Company and filed with the Designated Stock Exchange.

“**Issue Shares**” means up to **37,88,000** Equity Shares of face value Rs. 10.00 each, proposed to be issued by the Issuer Company in accordance with Chapter IX of the SEBI (ICDR) Regulations, 2018.

“**Market Maker Reservation Portion**” means the portion of the Issue reserved for Designated Market Makers, comprising up to **2,14,000** Equity Shares of face value Rs. 10.00 each at the Issue Price of Rs. [●] per Equity Share.

“**Material Adverse Effect**” means, individually or in the aggregate, a material adverse effect on the condition (financial or otherwise), earnings, business, management, operations, or prospects of the Company, taken as a whole.

“**Net Issue**” means an issue of specified securities to the public, excluding reservations and the promoters' contribution brought in as part of the Issue.

“**Non-Institutional Applicants**” means all Applicants other than QIBs or Retail Applicants who have applied for more than 2 lots for an amount exceeding Rs. 2,00,000/-.

“**Party / Parties**” shall have the meanings given to such terms in the preamble to this Agreement, and shall include the Issuer Company, the Lead Manager (SICSP), and the Co-Lead Manager (MCSL).

“**Pay-in Date**” means the Issue Closing Date.

For HAPPY STEELS LIMITED



Master Capital Services Ltd



“**Pay-in Period**” means the period commencing on the Issue Opening Date and extending up to the Issue Closing Date.

“**Prospectus**” means the Prospectus to be filed with the Designated Stock Exchange, SEBI, and the Registrar of Companies in accordance with Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and the applicable SEBI circulars.

“**Public Issue Account**” means the account opened with the Banker to the Issue to receive subscription monies in accordance with Section 40(3) of the Companies Act, 2013, read with the applicable SEBI Regulations and circulars.

“**Public Issue Amount**” means the amount received and credited to the Public Issue Account pursuant to applications received for subscription to the Issue.

“**Qualified Institutional Buyers (QIBs)**” shall have the meaning given to such term under the SEBI (ICDR) Regulations, 2018.

“**Registrar**” means the Registrar to the Issue as specified in the Prospectus.

“**Retail Applicants/ Individual Investor**” means individual Applicants (including HUFs and NRIs) who have applied for minimum application size i.e. 2 lots for an amount exceeding Rs. 2,00,000/- in individual investor application option in the Issue.

“**SEBI**” means the Securities and Exchange Board of India.

“**SEBI (ICDR) Regulations**” means the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

“**Sponsor Bank**” means the bank appointed by the Company, in consultation with the Lead Manager (in consultation with the Co-Lead Manager), to act as conduit between the Designated Stock Exchange and NPCI for pushing mandate collect requests and/or payment instructions of retail investors into the UPI.

“**Stock Exchange**” means the Designated Stock Exchange as specified in the Prospectus.

“**Underwriter**” means Share India Capital Services Private Limited (SICSPL) in its capacity as underwriter to this Issue.

“**Working Day**” means any day other than a Saturday, Sunday, or a public holiday on which the Designated Stock Exchange is open for trading.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- (a) Words denoting the singular shall include the plural and vice versa.
- (b) Headings are included for convenience only and shall be ignored for the purpose of interpretation.
- (c) References to “include” or “including” shall be construed as including without limitation and shall not be read as limiting the generality of the words preceding them.

(d) A reference to this Agreement or any other agreement, deed, or instrument shall be construed as a reference to such document as it may be amended, varied, supplemented, or replaced from time to time, including any amendment or modification made pursuant to the SEBI (ICDR) Regulations, 2018, any applicable SEBI Circular, or any requirement of the Designated Stock Exchange.

(e) A reference to a Party shall, in the case of an individual, include his or her legal heirs, executors, or administrators, and in any other case, its successors or permitted assigns. For the avoidance of doubt, a reference to the "Lead Managers", the "Underwriters", or the "Parties" shall include a reference to each of them individually, and a reference to either the Lead Manager or the Co-Lead Manager individually shall not be read to exclude the other unless the context expressly so requires.

(f) A reference to an article, section, paragraph, or schedule is a reference to an article, section, paragraph, or schedule of this Agreement.

(g) A reference to a document includes any amendment, supplement, replacement, restatement, or novation of that document, and any document that supersedes or is entered into in substitution of that document.

(h) Capitalised terms used but not defined herein shall have the meanings given to them in the most recent version of the Issue Documents (being, in order of precedence, the Prospectus, the Red Herring Prospectus, and the Draft Red Herring Prospectus, as applicable). In the event of any inconsistency between the meanings of any term as defined in this Agreement and in the Issue Documents, the meaning in this Agreement shall prevail for all purposes of this Agreement.

(i) Unless the context otherwise requires, in a provision of this Agreement that imposes an obligation, right, or restriction on the Lead Manager and the Co-Lead Manager jointly, each of them shall be bound by such provision severally and not jointly, unless the provision expressly states that the obligation, right, or restriction is joint and several.

(j) Any reference in this Agreement to any statute, regulation, circular, guideline, or notification shall be construed as a reference to such statute, regulation, circular, guideline, or notification as in force at the relevant time, including any amendment, modification, re-enactment, or replacement thereof.

(k) All time periods are computed in calendar days unless expressed as "Business Days" or "Working Days". All times are Indian Standard Time (IST).

2. UNDERWRITING

On the basis of the representations and warranties contained in Clause 4 and subject to the terms and conditions hereof, each of the Book Running Lead Manager (Underwriter) and the Co- Book Running Lead Manager, severally and not jointly, hereby agrees to underwrite the shares of **Happy Steels Limited** in the manner and on the terms set out below.

2.1 Underwriting Obligations

For **HAPPY STEELS LIMITED**


Abhishek Garg
Managing Director



Master Capital Services Ltd


Director

Details of Underwriter	No. of Equity Shares Underwritten	Amount Underwritten (in Rs. Lakhs)	% of Total Issue Size Underwritten
Share India Capital Services Private Limited Book Running Lead Manager (Underwriter) A-25, Basement, Sector-64, Noida – 201301, Uttar Pradesh, India Tel: 0120-6483000 Email: kunal.bansal@shareindia.co.in Investor Grievance: mb@shareindia.com Website: www.shareindia.com SEBI Reg.: INM000012537 CIN: U65923UP2016P1C075987 Contact Person: Mr. Kunal Bansal	37,88,000	Will be determined in accordance with book building process as defined under Securities and Exchange Board of India (Issue of Capital Disclosure and Requirements) Regulations, 2018	100%
TOTAL	37,88,000		100.00%

2.2 Prospectus Review and Confirmation

Prior to filing the Prospectus with the Registrar of Companies (ROC), the Issuer Company shall obtain the prior written confirmation of the Book Running Lead Managers (acting jointly), which confirmation the Book Running Lead Managers may in their sole and absolute discretion grant, withhold, or condition upon receipt of such further information, documents, certifications, or legal opinions as the Book Running Lead Managers may require. The Issuer Company shall make available to the Book Running Lead Managers a final copy of the Prospectus as modified in light of the observations made by the Designated Stock Exchange prior to the proposed date of filing with the ROC. The Book Running Lead Managers shall, before executing their obligations, be entitled to satisfy themselves fully with the terms of the Issue, the accuracy and completeness of all disclosures contained in the DRHP/RHP/Prospectus, and all information relating to the Issuer Company and its business, and no obligation shall arise on the Book Running Lead Managers until such satisfaction is confirmed by the Book Running Lead Managers in writing.

2.3 Delivery of Prospectus to the Registrar of Companies

The Prospectus shall be delivered by the Issuer Company to the ROC for registration within such period as may be stipulated in accordance with the applicable provisions of the SEBI (ICDR) Regulations, 2018 and the Companies Act, 2013, time being of the essence. If any additional disclosures are subsequently required in the interest of investors, the Issuer Company shall incorporate the same as stipulated by the Designated Stock Exchange, SEBI, the Book Running Lead Manager, or the Co- Book Running Lead Manager. The question of whether such disclosures are material shall be decided by the Designated Stock Exchange or SEBI, whose decision shall be final and binding.

For **HAPPY STEELS LIMITED**

Abhishek Gupta



Master Capital Services Ltd



2.4 Application Forms and Prospectus

The Issuer Company shall make available to each of the Book Running Lead Manager and the Co- Book Running Lead Manager a minimum of two Application Forms (forming part of the abridged Prospectus) and one copy of the Prospectus. If either Book Running Lead Manager desires to have more Application Forms and Prospectus copies than those specified herein, such Book Running Lead Manager must state its requirements in writing and such request shall be considered as a condition for acceptance of this Underwriting Agreement. Thereafter, it shall be the responsibility of the Issuer Company to deliver to each Book Running Lead Manager the accepted quantity of Application Forms and Prospectus as soon as the Prospectus is filed with the Registrar of Companies. Proof of such delivery shall be retained by the Issuer Company.

2.5 Subscription Period

The subscription list for the public Issue shall open on such date as may be determined by the Designated Stock Exchange and SEBI in accordance with applicable regulations and circulars, as amended from time to time. The subscription list shall remain open for a minimum period of three (3) working days and, if required by either Book Running Lead Manager, may be kept open up to a maximum of ten (10) calendar days. Failure to keep the subscription list open for the minimum prescribed period shall discharge the relevant Book Running Lead Manager from its underwriting obligations hereunder.

2.6 Applications Bearing Underwriter Stamp

Applications bearing the stamp of an Underwriter or the sub-Underwriter shall be treated on par with applications received from the public. In the event of oversubscription, no preference or priority shall be given to any such application in the matter of allotment.

2.7 Sub-Underwriting

Each Underwriter may arrange for sub-underwriting on its own account with any person(s) on mutually agreed terms. Such sub-underwriting arrangements shall only be entered into with intermediaries registered with SEBI as merchant bankers or stock brokers under applicable SEBI regulations. Any such sub-underwriter shall not subscribe to the Issue in any manner other than for the purpose of fulfilling its sub-underwriting obligations, in accordance with Regulation 260(6) and (7) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. All sub-underwriting arrangements made by the Underwriters shall be disclosed in the Prospectus in accordance with Regulation 260(7) of the SEBI (ICDR) Regulations, 2018. Notwithstanding such arrangement, the relevant Underwriter shall remain primarily responsible for its underwriting commitment as set out in Clause 2.1. Any failure by the sub-Underwriter shall not discharge the relevant Underwriter from its obligations hereunder.

2.8 Underwriting of Market Maker Reservation Portion

For HAPPY STEELS LIMITED



Master Capital Services Ltd.

A handwritten signature in blue ink, likely belonging to a representative of Master Capital Services Ltd.

If the Issue of up to **37,88,000** Equity Shares (including the Market Maker Reservation Portion) is undersubscribed, each Underwriter shall be severally responsible to subscribe to, or procure subscription for, its proportionate share of unsubscribed Equity Shares (including the Market Maker Reservation Portion) in accordance with its underwriting commitment set out in Clause 2.1, subject to Clause 2.10.

2.9 Underwriting of Net Issue — Several Obligations

If the Net Issue is undersubscribed, Underwriter shall be responsible to subscribe to, or procure subscription for, its proportionate share of the unsubscribed Net Issue Equity Shares in accordance with its underwriting commitment as set out in Clause 2.1.

2.9A Lead Manager Backstop (Regulation 260(5))

Notwithstanding Clause 2.9, in accordance with **Regulation 260(5)** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, if either Underwriter fails to fulfil its underwriting obligations or the nominated investors fail to subscribe to the unsubscribed portion, the Book Running Lead Manager (Underwriter) shall, as the designated book running lead manager, fulfil such defaulted underwriting obligations in addition to its own underwriting commitment, without any limitation. The Book Running Lead Manager's obligation under this Clause 2.9A is a mandatory statutory obligation and cannot be limited, waived, or derogated from by any contractual provision.

2.10 Devolvement Procedure

In case of a shortfall, the underwriting obligations shall be discharged as follows:

- (a) The Designated Stock Exchange shall, within ten (10) days after closure of the subscription list, issue a notice of devolvement to each Underwriter, with a copy to the Lead Manager and the Co-Lead Manager, specifying the total number of unsubscribed shares and the extent of devolvement, in accordance with **Regulation 52(6) read with Regulation 260(4)** of the SEBI (ICDR) Regulations, 2018.
- (b) The Issuer Company shall provide each Underwriter with the manner of computation of its respective underwriting obligation and a supporting certificate from an independent Chartered Accountant.
- (c) Each Underwriter shall make or procure applications to subscribe to its proportionate share of unsubscribed Equity Shares and submit the same, together with the requisite application monies, to the Company's Escrow Account, prior to the finalisation of the basis of allotment and in any event within the timeline specified by SEBI or the Designated Stock Exchange from time to time, in accordance with **Regulation 22B(3)** of the SEBI (Merchant Bankers) Regulations, 1992.
- (d) In the event of failure by an Underwriter to comply with sub-clause (c), the Issuer Company may make arrangements with one or more other persons to subscribe to such shares, without prejudice to the Issuer Company's right to claim damages against the defaulting Underwriter.

For **HAPPY STEELS LIMITED**





Master Capital Services Ltd



(e) Notwithstanding anything contained elsewhere in this Agreement, the obligation of each Underwriter to subscribe to the Equity Shares devolved upon it pursuant to this Agreement constitutes a mandatory statutory obligation under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992. Such obligation shall not be limited, waived, extinguished, or otherwise qualified by any contractual provision, including any provision relating to limitation of liability. Any purported contractual limitation on an Underwriter's obligation to subscribe to devolved shares shall be void and unenforceable as being contrary to applicable law and public policy.

2.11 Non-Interchangeability of Underwriting Obligations

There shall be no provision for inter-changeability of the underwriting obligations. Each Underwriter shall underwrite its respective obligations as stated in Clause 2.1 and shall not interchange any portion of such obligations with any other person or entity. In the event of a shortage in any specific portion, each Underwriter shall not be relieved of liability for its individual portion and no cross-application of obligations from one portion to another shall be permitted without the prior written consent of the Designated Stock Exchange.

2.12 Remedies for Failure to Fulfil Underwriting Obligations

Without prejudice to any other right or remedy available to the Issuer Company under applicable law or this Agreement, in the event of failure by an Underwriter to fulfil its underwriting obligations, the Issuer Company shall be entitled to: (a) make alternative subscription arrangements under Clause 2.10(d); (b) claim damages actually suffered as a direct consequence of the Underwriter's failure, to be assessed and quantified based on the losses actually incurred by the Issuer Company; and (c) report such failure to the Designated Stock Exchange and SEBI in accordance with **Regulation 52(7)** of the SEBI (ICDR) Regulations, 2018 and Schedule XVIII thereof. For the avoidance of doubt, the obligation of an Underwriter to subscribe to devolved shares is a mandatory statutory obligation under Regulation 260 of the SEBI (ICDR) Regulations, 2018 and cannot be commuted into a damages obligation — the Issuer Company's right to damages under this Clause 2.12 is in addition to, and not in substitution of, the obligation to subscribe.

3. REPRESENTATIONS AND WARRANTIES BY THE BOOK RUNNING LEAD MANAGER AND THE CO-BOOK RUNNING LEAD MANAGER

3.1 Net Worth and Capital Adequacy.

Each of the Book Running Lead Manager (Underwriter) and the Co- Book Running Lead Manager severally declares that it satisfies: (a) the net worth requirement prescribed for its category under **Regulation 7** of the SEBI (Merchant Bankers) Regulations, 1992 (as substituted w.e.f. 03.01.2026); and

For HAPPY STEELS LIMITED



Master Capital Services Ltd.



(b) the liquid net worth requirement prescribed for its category under **Regulation 7A** of the SEBI (Merchant Bankers) Regulations, 1992 (as inserted w.e.f. 03.01.2026), and further confirms that its aggregate underwriting obligations under all agreements at any point of time do not exceed twenty (20) times its liquid net worth, as required under **Regulation 22B(2)** (as substituted w.e.f. 03.01.2026) of the SEBI (Merchant Bankers) Regulations, 1992. Each party further confirms that it is competent to undertake the underwriting obligations assigned to it under Clause 2.1 of this Agreement.

3.2 SEBI Registration — Book Running Lead Manager (Underwriter).

The Book Running Lead Manager (Share India Capital Services Private Limited) declares that, as a SEBI-registered Category I Merchant Banker bearing SEBI Registration No. INM000012537, it is entitled to carry on underwriting activities by virtue of its registration under the SEBI (Merchant Bankers) Regulations, 1992, and that no separate registration as an underwriter is required. The Lead Manager further confirms that **Regulation 22** of the SEBI (Merchant Bankers) Regulations, 1992 (as substituted w.e.f. 03.01.2026) constitutes a general permission for merchant bankers to engage in underwriting activities as specified by the Board from time to time, and that the Lead Manager is in compliance with all conditions and requirements for underwriting activities specified by the Board.

3.2A SEBI Registration — Co-Book Running Lead Manager.

The Co- Book Running Lead Manager (Master Capital Services Limited) declares that it holds a valid certificate of registration as a Category I Merchant Banker bearing SEBI Registration No. INM000000107, granted by SEBI under the SEBI (Merchant Bankers) Regulations, 1992. By virtue of such registration, the Co-Lead Manager is authorised to carry on underwriting activities, and no separate registration as an underwriter is required. The Co- Book Running Lead Manager confirms that it is in compliance with all conditions and requirements for underwriting activities specified by the Board from time to time, including **Regulation 22** (as substituted w.e.f. 03.01.2026) of the SEBI (Merchant Bankers) Regulations, 1992. However, the Co-Book Running Lead Manager is not acting as underwriter to the issue.

3.3 Regulatory Compliance.

Each of the Book Running Lead Manager and the Co- Book Running Lead Manager severally confirms that it shall be responsible and liable to the Issuer Company for any contravention of the SEBI Act, or the rules or regulations framed thereunder, and that it shall abide by its duties, functions, responsibilities, and obligations under the SEBI (Merchant Bankers) Regulations, 1992 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, including the mandatory underwriting obligations under Regulation 260 thereof, as amended from time to time.

For **HAPPY STEELS LIMITED**

Abhishek Garg
Managing Director



Master Capital Services Ltd.


3.4 General Representations and Warranties.

Each of the Book Running Lead Manager and the Co- Book Running Lead Manager severally represents and warrants that:

- (a) It has taken all necessary actions to authorise the signing and delivery of this Agreement.
- (b) The signing and delivery of this Agreement and compliance with its terms do not violate any law, rule, regulation, agreement, document, or instrument binding on or applicable to it.
- (c) It will comply with all of its obligations set forth in this Agreement.
- (d) It shall ensure compliance with the applicable laws and rules prescribed by SEBI and the Designated Stock Exchange with respect to underwriting.
- (e) It shall follow fair trade practices and abide by the code of conduct and ethical standards specified by SEBI, the Designated Stock Exchange, and other relevant associations from time to time.
- (f) Pursuant to **Regulation 22B(3)** of the SEBI (Merchant Bankers) Regulations, 1992 (as substituted w.e.f. 29.11.2024), if called upon to subscribe to securities pursuant to its underwriting obligations, it shall subscribe to the said securities prior to the finalisation of the basis of allotment.

3.5 Duty to Notify Breach.


Each of the Book Running Lead Manager and the Co- Book Running Lead Manager severally acknowledges its duty to notify the Designated Stock Exchange and the other Lead Manager immediately upon becoming aware of any breach of a representation or warranty given by it under this Agreement.

3.6 Additional Representations and Warranties by the Lead Manager (BRLM).

In addition to the representations of the Book Running Lead Manager under this Agreement, the Due Diligence Certificate, and the Registration of Documents filed with the Designated Stock Exchange, the Book Running Lead Manager hereby additionally represents and warrants that:

- (a) All actions required to be taken, fulfilled, or done for the execution, delivery, and performance by the Lead Manager of its obligations under this Agreement have been taken, fulfilled, or done, and all consents, authorisations, orders, or approvals required for such execution, delivery, and performance have been unconditionally obtained and remain in full force and effect.
- (b) Unless otherwise expressly authorised in writing by the Issuer Company, neither the Lead Manager nor any of its Affiliates, nor any of their respective directors, employees, or agents, has made or will make any verbal or written representation in connection with the Issue other than those contained in the Issue Documents or in any other document expressly approved in writing by the Issuer Company.

3.6A Additional Representations and Warranties by the Co-Book Running Lead Manager.

For HAPPY STEELS LIMITED

Abhishek Garg



Master Capital Services Ltd.


Director

In addition to the representations of the Co-Book Running Lead Manager under this Agreement, the Due Diligence Certificate, and the Registration of Documents filed with the Designated Stock Exchange, the Co-Book Running Lead Manager hereby additionally represents and warrants that:

(a) All actions required to be taken, fulfilled, or done for the execution, delivery, and performance by the Co-Book Running Lead Manager of its obligations under this Agreement have been taken, fulfilled, or done, and all consents, authorisations, orders, or approvals required for such execution, delivery, and performance have been unconditionally obtained and remain in full force and effect.

(b) Unless otherwise expressly authorised in writing by the Issuer Company, neither the Co-Book Running Lead Manager nor any of its Affiliates, nor any of their respective directors, employees, or agents, has made or will make any verbal or written representation in connection with the Issue other than those contained in the Issue Documents or in any other document expressly approved in writing by the Issuer Company.

3.7 Conflict of Interest Confirmation — Book Running Lead Manager.

The Book Running Lead Manager confirms that it has accepted the appointment as Book Running Lead Manager and Underwriter to the Issue and that, to the best of its knowledge, there is no conflict of interest arising from such engagement or from any transaction or arrangement between the Book Running Lead Manager (or any of its Affiliates) and the Issuer Company. The Book Running Lead Manager shall promptly disclose to the Issuer Company and to the Designated Stock Exchange any conflict of interest that may arise during the subsistence of this Agreement.


3.7A Conflict of Interest Confirmation — Co-Book Running Lead Manager.

The Co-Book Running Lead Manager confirms that it has accepted the appointment as Co-Book Running Lead Manager and that, to the best of its knowledge, there is no conflict of interest arising from such engagement or from any transaction or arrangement between the Co-Book Running Lead Manager (or any of its Affiliates) and the Issuer Company. The Co-Book Running Lead Manager shall promptly disclose to the Issuer Company, to the Book Running Lead Manager, and to the Designated Stock Exchange any conflict of interest that may arise during the subsistence of this Agreement.

4. REPRESENTATIONS AND WARRANTIES BY THE ISSUER COMPANY

The Issuer Company represents, warrants, and undertakes to each of the Book Running Lead Manager and the Co-Book Running Lead Manager (collectively, the "Lead Managers"), as of the date hereof and as of the Closing Date, as follows:

4.1 Statutory Approvals.

For HAPPY STEELS LIMITED

Abhishek Garg
Managing Director



Master Capital Services Ltd

Director

All consents, sanctions, clearances, approvals, permissions, and licences required in connection with the Issue, or for completing the Prospectus, have been or will be obtained, and shall remain effective until the allotment of all Issue Shares is completed.

4.2 Authority to Enter Agreement.

The Issuer Company has taken all necessary actions to authorise the signing and delivery of this Agreement.

4.3 No Conflict.

The signing and delivery of this Agreement and compliance with its terms do not violate any law, rule, regulation, agreement, document, or instrument binding on or applicable to the Issuer Company.

4.4 Compliance with Agreement.

The Issuer Company shall comply with all of its obligations set forth in this Agreement.

4.5 Regulatory Compliance.

The Issuer Company shall ensure compliance with all applicable laws and rules prescribed by SEBI and the Designated Stock Exchange.

4.6 Fair Trade Practices.

The Issuer Company shall follow fair trade practices and abide by the code of conduct and ethical standards specified by SEBI, the Designated Stock Exchange, and other relevant associations.

4.7 Duty to Notify Breach.

The Issuer Company acknowledges its duty to notify the Lead Managers and the Designated Stock Exchange immediately upon becoming aware of any breach of a representation or warranty given by it under this Agreement.

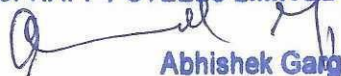
4.8 Accuracy of Issue Documents.

The Draft Red Herring Prospectus, Red Herring Prospectus, and Prospectus did not and shall not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements therein not misleading in light of the circumstances.

4.9 Corporate Existence and Authority.

The Issuer Company has been duly incorporated and is validly subsisting under Indian law. It has the corporate power and authority to enter into and perform its obligations under this Agreement and the Bankers to the Issue Agreement.

For HAPPY STEELS LIMITED


Abhishek Garg



Master Capital Services Ltd.



4.10 Governmental Approvals.

Except as described in the Issue Documents, no filing with, or authorisation, approval, consent, licence, order, registration, qualification, or decree of any court or governmental authority (including the RBI) is necessary for the performance of the Issuer Company's obligations under this Agreement, except such as have already been obtained.

4.11 Valid and Binding Obligation.

This Agreement has been duly authorised, executed, and delivered by the Issuer Company and constitutes its valid, legal, and binding obligation, enforceable in accordance with its terms.

4.12 Description of Equity Shares.

The Equity Shares conform in all material respects to the descriptions thereof contained in the Issue Documents.

4.13 Authorised and Issued Capital.

The Issuer Company has the authorised capital as set out in the Issue Documents. All issued Equity Shares are duly authorised, validly issued, and fully paid, and are not subject to any pre-emptive or similar rights. Except as contemplated by the Issue Documents, there are no outstanding rights, warrants, or options to acquire, or instruments convertible into or exchangeable for, any shares or equity interest in the Issuer Company.

4.14 Valid Issuance of Issue Shares.

The Equity Shares have been duly authorised for issuance and, when delivered in accordance with the terms hereof and the Prospectus, shall be validly issued and fully paid. The issuance shall not be subject to any option, pre-emptive right, right of first refusal, or other similar right, except as disclosed in the Prospectus.

4.15 Rights of Shareholders.


Under current Indian law, except as described in the Issue Documents, there are no limitations on the rights of holders of the Equity Shares to hold, vote, or transfer their securities.

4.16 Dividend Rights.

Except as described in the Issue Documents, no governmental or regulatory approvals are required in India for the Issuer Company to pay dividends to the holders of Equity Shares.

4.17 No Contravention.

For HAPPY STEELS LIMITED


Abhishek Garg
Managing Director
CIN: 00621845



Master Capital Services Ltd.


Director

The execution and performance of this Agreement shall not contravene any applicable law or the constitutive documents of the Issuer Company. All authorisations and approvals necessary therefor have been obtained and are in full force and effect.

4.18 Financial Statements.

The financial statements of the Issuer Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 are complete and correct in all respects and have been prepared in accordance with Indian Accounting Standards, applied consistently. The auditors who have certified or reviewed such statements are independent Chartered Accountants within the meaning of the Code of Professional Ethics of the ICAI.

4.19 Compliance of Financial Statements with Applicable Standards.

The financial statements included in the Issue Documents have been prepared in accordance with Indian Accounting Standards, RBI guidelines, and the applicable provisions of the SEBI (ICDR) Regulations.

4.20 Good Title to Equity Shares.

Delivery of the Equity Shares pursuant to this Agreement shall pass good and clear title to such Equity Shares, free of all restrictions on transfer, liens, encumbrances, security interests, and claims.

4.21 Insurance.

The Issuer Company is insured by insurers of recognised financial responsibility against such losses and risks and in such amounts as are customary for its business.

4.22 Internal Controls.

The Issuer Company has maintained a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's authorisations; (ii) transactions are recorded to enable the preparation of financial statements in conformity with Indian Accounting Standards; (iii) access to assets is permitted only in accordance with management's authorisation; and (iv) recorded assets are compared with existing assets at periodic intervals.

4.23 No Undisclosed Related Party Indebtedness.

Except as disclosed in the Issue Documents, there is no outstanding indebtedness or contract (other than employment contracts) between the Issuer Company and any director, key managerial personnel, their relatives, or any entity in which they hold a controlling interest.

4.24 Arm's Length Transactions.

All material transactions between the Issuer Company and any related parties have been conducted on an arm's length basis and are adequately disclosed in the Issue Documents.

For HAPPY STEELS LIMITED


Abhishek Garg



Master Capital Services Ltd.



4.25 Continuing Accuracy.

All representations and warranties of the Issuer Company are true and correct, and the Issuer Company shall comply with all covenants and agreements made by it under this Agreement.

4.26 No Undisclosed Litigation or Regulatory Action.

Except as fully and accurately disclosed in the Issue Documents, there is no pending, threatened, or anticipated: (a) litigation, arbitration, or dispute resolution proceeding involving the Issuer Company, its promoters, directors, or key managerial personnel; (b) investigation, inquiry, show-cause notice, or enforcement action by SEBI, any stock exchange, the Enforcement Directorate, the Income Tax authorities, or any other regulatory or governmental authority; or (c) winding-up petition, insolvency application, or attachment order against the Issuer Company or its assets. The Issuer Company undertakes to immediately notify the Book Running Lead Managers in writing of any such matter arising or coming to its notice after the date of this Agreement and failure to so notify shall constitute a material breach of this Agreement entitling the Lead Managers to terminate forthwith and claim all losses and costs suffered in consequence.

4.27 No Material Change Without Lead Manager Consent.

The Issuer Company represents, warrants, and undertakes that, from the date of this Agreement until the date of listing of the Equity Shares on the Designated Stock Exchange, it shall not, without the prior written consent of the Book Running Lead Manager (as coordinating manager, in consultation with the Co-Book Running Lead Manager): (a) undertake any material change in its business, operations, strategic direction, or capital structure; (b) enter into any material contract, arrangement, joint venture, or transaction outside the ordinary course of business exceeding a value of Rs. 25,00,000 (Rupees Twenty-Five Lakhs); (c) acquire, divest, or dispose of any material asset or business; (d) alter or amend its Memorandum or Articles of Association; (e) change its statutory auditors; (f) declare, recommend, or pay any dividend or distribution on any class of its securities; or (g) grant any loan, advance, or investment to any related party or entity in which any promoter or director has a direct or indirect interest. Any action taken in contravention of this Clause 4.27 shall be voidable at the option of the Book Running Lead Managers and shall constitute a material breach of this Agreement.

4.28 Warranty Breach as Automatic Indemnification Trigger.

Any breach of any representation, warranty, or undertaking given by the Issuer Company under this Clause 4, or under any other provision of this Agreement, shall automatically trigger the Issuer Company's indemnification obligations under Clause 10, without the requirement for any further act, notice, court determination, or demand by either Book Running Lead Manager or the Co-Book Running Lead Manager. Following any such breach, the Issuer Company shall immediately pay to the Lead

For HAPPY STEELS LIMITED


Abhishek Garg
Managing Director



Master Capital Services Ltd.



Managers, on a full indemnity basis, all losses, costs, expenses, damages, and liabilities incurred or suffered by the Book Running Lead Managers as a consequence of or in connection with such breach. This obligation shall subsist regardless of whether this Agreement has been terminated and regardless of whether any regulatory action or proceeding has been initiated or concluded.

5. UNDERTAKINGS BY THE ISSUER COMPANY

5.1 Delivery of Issue Documents.

Not later than two (2) Business Days from the date hereof, the Issuer Company shall furnish to each of the Book Running Lead Manager and the Co-Book Running Lead Manager, without charge, such number of copies of the Issue Documents (and any amendments or supplements thereto) as either Book Running Lead Manager may reasonably request.

5.2 Ongoing Disclosure Obligation.

Prior to the date upon which the Lead Manager notifies the Issuer Company (on behalf of the Book Running Lead Managers) in writing that the distribution is complete, the Issuer Company shall immediately notify the Book Running Lead Managers: (i) of any filing made relating to the Issue; (ii) if anything occurs that would render untrue or incorrect any representation or warranty in Clause 4; or (iii) if any event or condition makes it necessary to amend or supplement the Prospectus.

If so notified, the Book Running Lead Managers may: (a) agree to allow the Issue to proceed on the basis of the Prospectus, subject, if required, to the publication of amended or supplementary Issue Documents at the Issuer Company's expense; or (b) in their absolute discretion, give notice to the Issuer Company that this Agreement shall terminate and cease to have effect. Subject to the foregoing, the Issuer Company shall prepare such amendment or supplement as is necessary to correct the relevant statement or omission, and shall furnish to each Book Running Lead Manager, at the Issuer Company's expense, such copies as may be reasonably requested.

5.3 Amendments to Prospectus — Book Running Lead Manager Consent.

The Issuer Company shall advise the Book Running Lead Manager (as coordinating manager, with simultaneous notice to the Co-Book Running Lead Manager) of any proposal to amend or supplement the Prospectus at least ten (10) Business Days in advance, and shall not effect such amendment or supplement without the Book Running Lead Manager's (in consultation with the Co-Book Running Lead Manager) prior written consent. In addition, the Issuer Company shall, upon the written direction of the Book Running Lead Manager (acting in consultation with the Co-Book Running Lead Manager), promptly make such amendments or supplements to the Prospectus or any Issue Document as the Book Running Lead Manager considers necessary or appropriate in the interests of investors or regulatory compliance.

5.4 Payment of Fees and Taxes.

The Issuer Company shall promptly pay all fees, stamp duty, registration charges, and other taxes and duties payable in connection with the issue or sale of the Equity Shares.

5.5 Communications with Authorities.

The Issuer Company shall make all communications with any legal authority, department, intermediary, SEBI, and the Designated Stock Exchange through the Book Running Lead Manager (as coordinating manager). In accordance with **Regulation 248(6)** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, for all issue advertisements and public communications, the Issuer Company shall obtain the approval from all Lead Managers and shall also provide copies of all issue-related materials to all Book Running Lead Managers. Any violation of this clause by the Issuer Company shall entitle the Book Running Lead Managers to terminate this Agreement forthwith without notice.

5.6 Duty to Notify Changes.

At any time prior to the Closing Date, if there is any change in the information referred to in Clause 4, the Issuer Company shall immediately notify the Book Running Lead Managers.

5.7 Post-Issue Financial Reporting.

Following completion of the Issue, the Issuer Company agrees to prepare and disclose its financial information as required by Indian law and the SEBI Regulations with the Designated Stock Exchange.

5.8 Lock-Up Undertaking.

The Issuer Company agrees that it shall not, without the prior written consent of the Book Running Lead Manager (in consultation with the Co-Book Running Lead Manager), during the period from the date hereof until three hundred and sixty-five (365) days after the date of listing of the Equity Shares on the Designated Stock Exchange: (i) issue, offer, pledge, sell, grant any option, right, or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares or securities convertible into shares (provided this restriction shall not apply to employee stock options, pledges permitted under **Regulation 242** of the SEBI (ICDR) Regulations, 2018, or any other transaction expressly permitted under applicable SEBI regulations); (ii) enter into any swap or other arrangement that transfers any economic consequences of ownership of shares; or (iii) publicly announce any intention to enter into any transaction described in (i) or (ii) above.

5.9 Use of Issue Proceeds.

The Issuer Company shall apply the net proceeds from the Issue as described in the Issue Documents under the heading "Objects of the Issue".

For **HAPPY STEELS LIMITED**


Abhishek Garg



Master Capital Services Ltd



5.10 Public Communications — Post-Listing.

For a period of three hundred and sixty-five (365) days from the date of listing of the Equity Shares on the Designated Stock Exchange, the Issuer Company, and its promoters, directors, key managerial personnel, and authorised spokespersons, shall obtain the prior written approval of the Book Running Lead Manager (in consultation with the Co- Book Running Lead Manager) before issuing any public announcement or participating in any press or financial conference that could be material in the context of the market for the Issuer Company's shares.

5.11 Continuing Accuracy.


All representations and warranties of the Issuer Company are true and correct, and the Issuer Company shall comply with all covenants and agreements made by it under this Agreement.

5.12 Right of Due Diligence and Audit.

The Issuer Company shall, throughout the period from the date of this Agreement until completion of listing of the Equity Shares on the Designated Stock Exchange, afford the Book Running Lead Manager, the Co- Book Running Lead Manager, and their respective authorised representatives, advisors, accountants, legal counsel, and other agents, full and unrestricted access to: (a) all books of accounts, financial records, contracts, correspondence, and documents of the Issuer Company; (b) the Issuer Company's directors, key managerial personnel, statutory auditors, legal advisors, and other officers and employees; and (c) all premises, assets, and properties of the Issuer Company. The Book Running Lead Managers shall be entitled to conduct such due diligence, audits, and verifications as they deem appropriate at any time upon reasonable prior written notice to the Issuer Company (except in cases of urgency or reasonable suspicion of fraud or concealment, where no prior notice shall be required).

5.13 Cost and Expense Reimbursement.

The Issuer Company shall bear all costs, charges, expenses, disbursements, and out-of-pocket expenses incurred by the Book Running Lead Manager and the Co- Book Running Lead Manager in connection with the Issue, including without limitation: (a) legal fees and expenses of the Lead Managers' counsel; (b) all printing, advertising, and distribution costs of Issue Documents; (c) all SEBI, Exchange, ROC, and other regulatory filing fees; (d) all roadshow, investor presentation, and marketing expenses; (e) all travel, accommodation, and communication expenses incurred by the Lead Managers; and (f) all stamp duties, registration charges, and similar levies on this Agreement and all ancillary agreements. All such expenses shall be reimbursed by the Issuer Company to the Book Running Lead Manager and the Co- Book Running Lead Manager within seven (7) Business Days of the relevant Book Running Lead Manager submitting a claim with supporting documentation, irrespective of whether the Issue is successfully completed or is withdrawn, cancelled, or terminated for any reason.

For HAPPY STEELS LIMITED

Abhishek Garg



Masfer Capital Services Ltd.


5.14 Management Stability.

The Issuer Company shall, during the period from the date of this Agreement until six (6) months after the date of listing of the Equity Shares, ensure continuity of its senior management team, including its Managing Director/CEO, Chief Financial Officer, and Company Secretary (collectively, the "Key Personnel"). The Issuer Company shall not, without the prior written consent of the Book Running Lead Manager (in consultation with the Co- Book Running Lead Manager): (a) appoint, remove, or change any Key Personnel; (b) change the role, responsibilities, or reporting structure of any Key Personnel; or (c) permit any Key Personnel to reduce their time commitment to the Issuer Company below full-time engagement.

6. CONDITIONS OF THE UNDERWRITERS' OBLIGATIONS

The obligations of each of the Underwriters under this Agreement are subject to the following conditions:

6.1 No Material Adverse Regulatory Change.

Subsequent to the execution of this Agreement and prior to the Listing Date, there shall not have occurred any regulatory change, or any order or directive from SEBI, the Designated Stock Exchange, or any other governmental, regulatory, or judicial authority, that in the judgement of the Book Running Lead Managers is material and adverse and makes it impracticable for the Underwriters to carry out their obligations hereunder, to market the Issue Shares, or to enforce contracts for their sale on the terms contemplated in the Issue Documents.

6.2 Right of Termination on Adverse Change.

If either Book Running Lead Manager becomes aware of any such occurrence or event as described in Clause 6.1, it may give notice to the Issuer Company that this Agreement shall terminate and cease to have effect, subject to the provisions hereof.

6.3 Accuracy of Representations and Compliance.

The representations and warranties of the Issuer Company shall be true and correct as at the Issue Closing Date, and the Issuer Company shall have complied with all conditions and obligations under this Agreement and the Issue Agreement dated January 15, 2026.

6.4 Listing Approval Condition.

The underwriting obligation is subject to listing approval by the Designated Stock Exchange. If listing approval is not granted, the rights and liabilities of the Parties under this Agreement shall stand discharged and of no further force or effect, and the Issuer Company shall refund all subscription monies

to applicants in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

6.5 In-Principle Listing Approval as Condition.

The obligations of the Underwriters under this Agreement are further subject to the condition that the Lead Managers shall have received evidence satisfactory to them that the Equity Shares have been approved in-principle for listing on the SME Platform of the Designated Stock Exchange, in accordance with **Regulation 246(1)(a) read with Schedule XIX** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and that such in-principle approval is in full force and effect as on the date of opening of the Issue and as of the Issue Closing Date.

6.6 Further Certificates and Materials.

Prior to the Issue Closing Date, the Issuer Company shall have furnished to the Book Running Lead Manager and the Co- Book Running Lead Manager such further information, certificates, legal opinions, comfort letters, documents, and materials as the Book Running Lead Managers may reasonably request in writing in connection with the Issue, including, without limitation, a certificate from the Issuer Company's statutory auditors confirming the accuracy of the financial statements included in the Issue Documents.

7. ISSUE


7.1 Maximum Underwriting Obligation.

Notwithstanding anything contained elsewhere in this Agreement, the maximum number of Equity Shares each Underwriter is severally required to underwrite is up to **37,88,000** Equity Shares, in the proportions set out in Clause 2.1 of this Agreement.

7.2 Devolvement Triggers.

The underwriting obligation of each Underwriter may be triggered, and devolvement shall occur, in the proportions set out in Clause 2.1, in respect of the following:

- (a) general undersubscription of the Issue or any portion thereof (including the Market Maker Reservation Portion or the Net Issue) where the total subscription received is less than the total Issue size;
- (b) default in full and timely payment of the Issue Price by an Applicant in respect of Equity Shares for which such Applicant has placed an application and received an allocation; or

For **HAPPY STEELS LIMITED**

Abhishek



Master Capital Services Ltd.


(c) withdrawal of an application in respect of which an allocation of Equity Shares has been made, prior to allotment of such Equity Shares.

8. PROCEDURE FOR DISCHARGE OF UNDERWRITING OBLIGATIONS

8.1 Discharge Procedure.

The underwriting obligations, if any, determined in terms of this Agreement shall be discharged in the following manner:

8.1.1 First Notice (Devolvement Notice):

(A) The Designated Stock Exchange (and in respect of the Lead Manager's coordinating function under Regulation 52(6), the Lead Manager) shall, in accordance with **Regulation 52(6) read with Regulation 260(4)** of the SEBI (ICDR) Regulations, 2018, ensure that the devolvement notice containing the obligations of each Underwriter is issued within ten (10) days from the date of closure of the Issue. For the purpose of enabling the Lead Manager to co-ordinate with the Designated Stock Exchange to issue such notice, the Issuer Company shall, not later than two (2) Business Days following the expiration of the Pay-in Period, furnish to the Lead Manager in writing the following: (i) the total number of Equity Shares in respect of which payment has not been received or applications have been withdrawn; (ii) the computation of each respective Underwriter's devolvement obligation in accordance with Clause 7 and Clause 2.1; and (iii) a supporting certificate from an independent Chartered Accountant verifying such computation. The Lead Manager shall, upon receipt of such information from the Issuer Company, forthwith co-ordinate with the Designated Stock Exchange to issue the devolvement notice to each Underwriter separately specifying the number and amount of Equity Shares devolved upon that Underwriter and the extent of its subscription obligation.

(B) Each Underwriter shall, immediately following receipt of the notice in Clause 8.1.1(A), procure subscription as required under this Agreement and/or make the applications to purchase its proportionate share of the unsubscribed Equity Shares, submit the same to the Issuer Company, and pay or cause payment of the Issue Price into the Public Issue Account.

8.1.2 Second Notice (Supplemental Devolvement):

(A) To the extent that, subsequent to the issuance of the devolvement notice under Clause 8.1.1(A) above, additional applications are identified in respect of which Applicants have received allocations but payment has not been received or applications have been withdrawn, the Issuer Company shall immediately notify the Lead Manager of such additional instances, and the Lead Manager shall co-ordinate with the Designated Stock Exchange to issue a supplemental devolvement notice to each Underwriter specifying the revised extent of its devolvement obligation, computed in the manner set forth in Clauses 7 and 2.1. All such notices shall be issued within the overall ten (10)-day period

prescribed under **Regulation 52(6) read with Regulation 260(4)** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(B) Each Underwriter shall, immediately following receipt of the notice in Clause 8.1.2(A), procure subscription as required and/or make the applications to purchase its proportionate share of such additional Equity Shares, submit the same to the Issuer Company, and pay or cause payment of the Issue Price into the Public Issue Account.

8.1.3 Subscription Prior to Basis of Allotment.

Each Underwriter shall, upon receipt of the devolvement notice(s) issued under Clauses 8.1.1 and 8.1.2, make or procure the applications to subscribe to its proportionate share of the unsubscribed Equity Shares and submit the same, together with the requisite application monies, to the Issuer Company's Escrow Account, prior to the finalisation of the basis of allotment and in any event within the timeline as may be specified by SEBI or the Designated Stock Exchange, in accordance with **Regulation 22B(3)** of the SEBI (Merchant Bankers) Regulations, 1992.

8.1.4 Failure by Underwriter — Alternative Arrangements.

In the event of any failure by an Underwriter to comply with Clause 8.1.1 or 8.1.2, the Issuer Company may make arrangements with one or more other persons to purchase such Equity Shares, without prejudice to the Issuer Company's right to claim damages against the defaulting Underwriter. Notwithstanding such alternative arrangements, the Lead Manager shall, in accordance with **Regulation 260(5)** of the SEBI (ICDR) Regulations, 2018, fulfil the defaulting Underwriter's obligations, and the Issuer Company's right to make such alternative arrangements shall not prejudice its right to proceed against the defaulting Underwriter.

9. FEES, COMMISSIONS, AND EXPENSES

9.1 Underwriting Commission.

In consideration of the underwriting obligations performed by the Underwriter, the Issuer Company shall remunerate the Book Running Lead Manager by paying Underwriting Commission of **5% (five per cent)** of the Issue Size. Such commission shall be paid to the Book Running Lead Manager only i.e. Share India Capital Services Private Limited. All applicable taxes shall be charged in addition to the above commission. For more information, Schedule A shall be referred.

The underwriting commission shall be paid by the Issuer Company to the Book Running Lead Manager upon receipt of the final invoice from each of the Book Running Lead Manager, and in any event not later

than five (5) Business Days from the date of listing of the Equity Shares on the Designated Stock Exchange, whichever is earlier, without any deduction, set-off, or withholding of any kind whatsoever. In the event of any delay in payment of the underwriting commission beyond the due date, the Issuer Company shall pay interest on the outstanding amount at the rate of eighteen per cent. (18%) per annum, calculated on a daily basis from the due date until the date of actual payment. Non-payment of the underwriting commission by the due date shall entitle the Book Running Lead Manager, without prejudice to any other remedy, to suspend all activities under this Agreement until full payment is received.

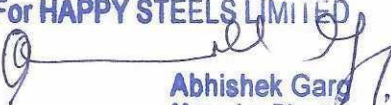
Provided, however, that:

- (i) the rate and quantum of underwriting commission shall be subject to and compliant with the provisions of **Rule 12** of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time;
- (ii) the underwriting commission shall be payable upon receipt of the final invoice from the Book Running Lead Manager (as applicable) and, in any event, not later than five (5) Business Days from the date of listing of the Equity Shares, regardless of whether or not any devolvement of Equity Shares occurs;
- (iii) neither the Book Running Lead Manager shall derive any direct or indirect benefit from underwriting the Issue other than the commission payable under this Agreement, in accordance with Regulation 22B(I) of the SEBI (Merchant Bankers) Regulations, 1992;
- (iv) all applicable taxes, including Goods and Services Tax, shall be borne by the Issuer Company in addition to the agreed commission; and
- (v) the total aggregate commission payable by the Issuer Company to the Book Running Lead Manager shall not exceed the ceiling prescribed under Rule 12 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, read with any applicable SEBI circular or notification, as amended from time to time.

9A. MAXIMUM LIABILITY IN ADVISORY CAPACITY

9A.1 Book Running Lead Manager — Advisory Capacity Liability Cap.

To the fullest extent permitted by applicable law, and notwithstanding any other provision of this Agreement, the total aggregate liability of the Book Running Lead Manager acting in its capacity as Book Running Lead Manager (i.e., in respect of advisory, marketing, and management services only) towards the Issuer Company and any person claiming by or through the Issuer Company, for any and all claims, losses, costs, or damages in any way related to the Issue, shall not exceed the total compensation actually received by the Book Running Lead Manager in its capacity as Book Running Lead Manager under this Agreement up to the date on which such claim arises.

For HAPPY STEELS LIMITED

Abhishek Garg



Master Capital Services Ltd


Provided, however, and for the avoidance of doubt, that this Clause 9A.1 shall apply exclusively to the Book Running Lead Manager's liability in its advisory and management capacity and shall not in any manner limit, waive, cap, or otherwise qualify the Book Running Lead Manager's obligation as Underwriter to subscribe to, or procure subscription for, Equity Shares devolved upon it pursuant to Clause 2 of this Agreement, which obligation is mandatory, statutory, and non-derogable under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992, and which shall remain in full force and effect irrespective of the operation of this Clause 9A.1.

9A.2 Co-Book Running Lead Manager — Advisory Capacity Liability Cap.

To the fullest extent permitted by applicable law, and notwithstanding any other provision of this Agreement, the total aggregate liability of the Co-Book Running Lead Manager acting in its capacity as Co-Book Running Lead Manager (i.e., in respect of advisory, marketing, and management services only) towards the Issuer Company and any person claiming by or through the Issuer Company, for any and all claims, losses, costs, or damages in any way related to the Issue, shall not exceed the total compensation actually received by the Co-Book Running Lead Manager in its capacity as Co-Book Running Lead Manager under this Agreement up to the date on which such claim arises.

Provided, however, and for the avoidance of doubt, that this Clause 9A.2 shall apply exclusively to the Co-Book Running Lead Manager's liability in its advisory and management capacity and shall not in any manner limit, waive, cap, or otherwise qualify the Co-Book Running Lead Manager's obligation as Underwriter to subscribe to, or procure subscription for, Equity Shares devolved upon it pursuant to Clause 2 of this Agreement, which obligation is mandatory, statutory, and non-derogable under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992, and which shall remain in full force and effect irrespective of the operation of this Clause 9A.2.

10. INDEMNITY BY THE ISSUER COMPANY

The Issuer Company shall indemnify and keep indemnified the Book Running Lead Manager, the Co-Book Running Lead Manager, their respective Affiliates, and all respective directors, officers, employees, professionals, duly authorised agents, and controlling persons (each, an "Indemnified Party") from and against any and all losses, liabilities, costs, claims, charges, actions, proceedings, damages, expenses, or demands arising out of or in relation to: (i) any misrepresentation or alleged misrepresentation of a material fact contained in the Issue Documents; or (ii) any omission or alleged omission of a material fact necessary to make the statements therein not misleading; or (iii) any act or omission determined by a court or arbitral tribunal to have resulted from bad faith, dishonesty, illegal or fraudulent acts, or wilful default or gross negligence of the Issuer Company. The Issuer Company's indemnity hereunder is further

extended to cover: (iv) any breach by the Issuer Company of any representation, warranty, undertaking, covenant, or obligation under this Agreement; (v) any failure by the Issuer Company to comply with any applicable law, SEBI regulation, Exchange requirement, or directive in connection with the Issue; (vi) any regulatory action, investigation, inquiry, or enforcement proceeding initiated against the Book Running Lead Manager or Co- Book Running Lead Manager arising out of or connected with the Issue on account of any act or omission of the Issuer Company or any inaccuracy or incompleteness in the Issue Documents; or (vii) any claim by any third party (including any Applicant, investor, or regulatory authority) arising out of the Issue, to the extent attributable to any act or omission of the Issuer Company.

Such indemnity shall extend to: (a) all reasonable costs and expenses (including legal fees on a full indemnity basis) incurred by any Indemnified Party in disputing or defending any such claim; and (b) any reasonably quantifiable costs or expenses directly attributable to reputational harm suffered by the Book Running Lead Manager or Co- Book Running Lead Manager as a result of a proven act or omission of the Issuer Company, provided that such costs are documented and agreed between the Parties or determined by a court of competent jurisdiction; and (c) any reasonable and documented out-of-pocket costs or expenses incurred by the Book Running Lead Manager or Co- Book Running Lead Manager in connection with the defence of any third-party claim or regulatory proceeding arising from any act or omission of the Issuer Company.

Provided, however, that the Issuer Company shall not be liable to the Book Running Lead Manager or the Co- Book Running Lead Manager to the extent that any loss, claim, damage, or liability is found in a court judgment to have resulted solely and directly from the bad faith, gross negligence, wilful misconduct, illegal acts, or fraudulent conduct of the Book Running Lead Manager or Co- Book Running Lead Manager (as the case may be).

10A. RECIPROCAL INDEMNITY BY THE BOOK RUNNING LEAD MANAGERS

10A.1 Several Indemnity Obligations of Book Running Lead Managers.

The Book Running Lead Manager and the Co- Book Running Lead Manager shall each, severally and not jointly, indemnify, defend, and hold harmless the Issuer Company, its directors, officers, key managerial personnel, and their respective successors and permitted assigns (each, a "Company Indemnified Party") from and against any and all losses, liabilities, costs, claims, charges, actions, proceedings, damages, expenses, or demands which any Company Indemnified Party may suffer or incur, arising out of or in connection with: (i) any breach by the relevant Book Running Lead Manager or Co- Book Running Lead Manager of any representation, warranty, covenant, or obligation under this Agreement; (ii) any act or omission on the part of the relevant Book Running Lead Manager or Co- Book Running Lead Manager determined by a court of competent jurisdiction or arbitral tribunal to have resulted from wilful

For HAPPY STEELS LIMITED



Master Capital Services Ltd.



misconduct or actual fraud (and not mere negligence, whether gross or otherwise) in the performance of its duties under this Agreement or under applicable SEBI regulations; or (iii) any contravention by the relevant Book Running Lead Manager or Co- Book Running Lead Manager of the SEBI (ICDR) Regulations, 2018, the SEBI (Merchant Bankers) Regulations, 1992, or any other applicable law or SEBI circular in connection with the Issue. Such indemnity shall extend to all reasonable legal costs and expenses incurred by any Company Indemnified Party in disputing or defending any such claim.

Notwithstanding the foregoing, the aggregate liability of the Book Running Lead Manager (severally) and the Co- Book Running Lead Manager (severally) under this Clause 10A shall in no circumstances exceed the total underwriting commission actually received by the relevant Book Running Lead Manager or Co- Book Running Lead Manager (as applicable) from the Issuer Company under this Agreement.

Provided, however, that the Book Running Lead Manager and the Co- Book Running Lead Manager (each severally) shall not be liable to any Company Indemnified Party to the extent that any loss, claim, damage, or liability is found in a court judgment or arbitral award to have resulted solely and directly from the fraud, wilful misconduct, or gross negligence of the Issuer Company or any Company Indemnified Party.

11. TERMINATION

11.1 Underwriters' Right to Terminate.

Notwithstanding anything contained herein, each of the Book Running Lead Manager and the Co- Book Running Lead Manager (acting independently or jointly, as the case may be) shall have the option, exercisable at any time prior to the date of Allotment (including, where the circumstances so warrant, after the opening of the Issue but before the date of Allotment), to terminate this Agreement under any one or more of the following circumstances:

- (i) If any representation or statement made by the Issuer Company to the Book Running Lead Managers, in the Application Forms, negotiations, correspondence, the Prospectus, or this Agreement is or is found to be materially incorrect or materially misleading in a manner that would, in the reasonable judgment of the Book Running Lead Managers, have a Material Adverse Effect on the Issue or on any Indemnified Party;
- (ii) If any event having a Material Adverse Effect on the Issue occurs and renders the Issue incapable of proceeding or completion for investors;
- (iii) A complete breakdown or dislocation of business in the major financial markets affecting the cities of Kolkata, Mumbai, Chennai, and New Delhi;
- (iv) A declaration of war or occurrence of insurrection, civil commotion, or any other serious, sustained financial, political, or industrial emergency or disturbance affecting the financial markets;

For HAPPY STEELS LIMITED
Abhishek



Master Capital Services Ltd

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(v) Receipt, after the opening of the Issue but prior to Allotment, of any interim or ex-parte order, direction, or injunction from SEBI, the Designated Stock Exchange, any court of competent jurisdiction, or any other regulatory or governmental authority that prohibits, suspends, restrains, or materially alters the terms or conduct of the Issue in a manner that, in the reasonable judgment of the Book Running Lead Managers, renders it legally or practically impossible to proceed with the Allotment on the terms and conditions set out in the Issue Documents;

(vi) Any material breach by the Issuer Company of any representation, warranty, undertaking, covenant, or obligation under this Agreement, the Issue Agreement, or any other agreement entered into in connection with the Issue, which is not remedied within forty-eight (48) hours of a written notice from the Book Running Lead Manager (as coordinating manager, acting in consultation with the Co- Book Running Lead Manager) requiring such remedy; or

(vii) The occurrence of any event, circumstance, or development that, in the reasonable opinion of the Book Running Lead Managers, has or could reasonably be expected to have a Material Adverse Effect on the Issuer Company, the Issue, the market for the Equity Shares, or the ability of the Issuer Company to perform its obligations under this Agreement or the Issue Documents.

11.2 Remedies on Breach.

In the event the Issuer Company fails to perform all or any of the covenants, obligations, or conditions required to be performed by it within the time limits specified herein or under applicable law, the Lead Managers shall be entitled to, at their sole option: (a) give notice to the Issuer Company of the breach or non-performance, whereupon the relevant Book Running Lead Manager (or both Book Running Lead Managers, as the case may be) shall be released from all or any of the obligations required to be performed by it; (b) terminate this Agreement forthwith with immediate effect by way of electronic notice to the Issuer Company; or (c) waive the breach without prejudice to any other right or remedy of the Book Running Lead Managers. Such waiver shall not be deemed to be a waiver of any subsequent breach or obligation. The Book Running Lead Managers' election of any one remedy shall not preclude the exercise of any other remedy available to them in law or equity.

11.3 Notice of Termination.

In case of termination, any Party (including either Book Running Lead Manager independently) may send an intimation of termination in writing through electronic or digital mode or otherwise. Such intimation shall be deemed to have been delivered and shall be conclusive, provided that the Book Running Lead Manager issuing such notice shall simultaneously send a copy to the Co- Book Running Lead Manager and the Issuer Company.

11.4 Survival of Provisions on Termination.

For HAPPY STEELS LIMITED


Abhishek Singh



Master Capital Services



Notwithstanding anything contained in Clause 11.1 or Clause 11.2, the provisions of Clauses 3, 4, 5, 6, 9, 10, 10A, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23 (Schedule A) of this Agreement, and any obligation accrued or liability incurred prior to the date of termination, shall survive the termination of this Agreement and shall remain in full force and effect. The termination of this Agreement shall not affect any rights or remedies of any Party that have accrued prior to the date of termination.

11A. CHANGE IN LEGAL ENVIRONMENT

The terms of this Agreement for services by the Book Running Lead Manager and the Co- Book Running Lead Manager for the Issue and underwriting are based upon the prevailing legal and regulatory environment in India as prescribed by applicable rules and regulations issued by the Ministry of Finance, the Ministry of Corporate Affairs, the Registrar of Companies, SEBI, the Designated Stock Exchange, and other governing authorities. Any change or alteration by the respective bodies in the prevailing laws and regulations in the future that may render the completion of the Issue or the performance of underwriting obligations unsuccessful for reasons wholly beyond the control of both the Book Running Lead Manager, the Co- Book Running Lead Manager, and the Issuer Company (and not attributable to the negligence or default of either Party, and for the avoidance of doubt, not of any Underwriter) shall not be construed as a failure on the part of the Book Running Lead Manager or the Co- Book Running Lead Manager. In the event of such a change in law or regulatory environment: (i) all Parties shall consult each other in good faith to determine an appropriate course of action to give effect to the original intent of this Agreement to the extent legally and commercially practicable; and (ii) neither Party shall be liable to the others for any loss, cost, or damage arising solely from such change in law or regulatory environment, provided that this Clause 11A shall not in any manner limit, waive, or extinguish the Book Running Lead Manager's or the Co- Book Running Lead Manager's mandatory statutory underwriting obligations under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992.


12. NOTICES

Any notice or other communication pursuant to this Agreement must be in writing and shall be:

- (a) delivered personally or by overnight courier;
- (b) sent by e-mail (with read-receipt or delivery confirmation requested);
- (c) sent by telefacsimile or similar transmission (if still in use and agreed between Parties); or
- (d) sent by registered mail or speed post, postage prepaid, to the address of the respective Party as set out below.

Notices shall be deemed given:

- (a) upon delivery, if delivered personally or by overnight courier:

For HAPPY STEELS LIMITED




Master Capital Services Ltd.


- (b) upon receipt of electronic delivery confirmation or read-receipt, if delivered by e-mail; in the absence of any such confirmation, the notice shall be deemed given twenty-four (24) hours after despatch if no delivery failure notification is received;
- (c) when the sender's fax machine confirms successful transmission, if sent by telefacsimile; and
- (d) when actually received by the addressee, if sent by registered mail or speed post.

Any Party may change its address for notice purposes by written notice to the other Parties (which change shall not take effect until five (5) Business Days after such notice is received by all other Parties).

(i) In case of a notice to the Issuer Company:

Abhishek Garg, Managing Director

Address : Kanganwal Road, Jaspal Banger, Ludhiana-141122, Punjab, India

Telephone : +91-6239821029

E-mail : Agarg@happysteels.com

(ii) In case of a notice to Share India Capital Services Private Limited (Lead Manager):

Mr. Kunal Bansal, Vice President

A-25, Basement, Sector-64, Noida – 201301, Uttar Pradesh, India

Telephone: +91-0120-6483000

E-mail: mb@shareindia.com

Investor Grievance: mb@shareindia.com

Website: www.shareindia.com

SEBI Reg. No.: INM000012537 (Category I Merchant Banker)

CIN: U65923UP2016PTC075987

(iii) In case of a notice to Master Capital Services Limited (Co-Lead Manager):

Mr. Puneet Singhania, Whole Time Director

Address : A-852-A, Basement, Sushant Lok, Phase-I, Gurgaon, Gurugram-122002, Haryana, India

Telephone : +91-9781580561

E-mail : secretarial@mastertrust.co.in

Investor Grievance E-mail : ig.mbd@mastertrust.co.in

Website : www.mastertrust.co.in

For HAPPY STEELS LIMITED



Master Capital Services Ltd

SEBI Reg. No.: INM000000107 (Category I Merchant Banker)

CIN : U67190HR1994PLC076366

13. TIME IS OF THE ESSENCE

All obligations of the Issuer Company and the Underwriter are subject to the condition that time, wherever stipulated, is of the essence of this Agreement. Any failure by any Party to adhere to the time limits specified herein shall, unless otherwise agreed in writing, discharge the defaulting Party's counterpart from its obligations.

Provided, however, that notwithstanding any failure or delay by the Issuer Company in adhering to any time limit specified in this Agreement, the Book Running Lead Manager and the Co- Book Running Lead Manager shall not, by reason of such failure or delay, be discharged or released from their mandatory statutory obligations to underwrite the Issue and to subscribe to any devolved Equity Shares, as prescribed under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992. Such statutory obligations shall continue in full force and effect regardless of any breach or delay by the Issuer Company in the performance of its contractual obligations hereunder.

13A. DURATION OF AGREEMENT

This Agreement shall come into force on the date of its execution and shall remain in force until the completion of all obligations of the Parties hereunder, including: (a) the allotment of all Issue Shares and listing of the Equity Shares on the Designated Stock Exchange; (b) the payment of all underwriting commissions and expenses due under this Agreement; and (c) the resolution of all claims, indemnities, and obligations that have arisen or accrued prior to such date.

14. SEVERAL OBLIGATIONS

The Issuer Company, the Book Running Lead Manager, and the Co- Book Running Lead Manager acknowledge and agree that each of them is severally, and not jointly, liable in respect of all representations, warranties, indemnities, undertakings, and other obligations given, entered into, or made by each of them in this Agreement.

15. MISCELLANEOUS

15.1 Binding Effect and Assignment.

For HAPPY STEELS LIMITED


Abhishek Garg



Master Capital Services Ltd.



This Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective successors. No Party may assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the other Parties; provided, however, that any of the Book Running Lead Manager or the Co- Book Running Lead Manager may, without such consent, assign its rights (but not its obligations) under this Agreement to any Affiliate of such Book Running Lead Manager or to any successor entity resulting from a merger, amalgamation, or reconstruction of the Book Running Lead Manager or the Co- Book Running Lead Manager, as the case may be, subject to such assignee confirming in writing its agreement to be bound by all obligations of the assigning party under this Agreement.

15.2 Price Finalisation Addendum.

Once the Issue Price is finalised by the Board of Directors of the Issuer Company in consultation with the Book Running Lead Manager (in consultation with the Co- Book Running Lead Manager) on the Pricing Date, the Parties shall enter into an addendum to this Agreement (the "Price Addendum") to give effect to all provisions of this Agreement that are subject to, or dependent upon, the Issue Price. Such Price Addendum shall be executed as promptly as practicable following the Pricing Date and in any event prior to the filing of the Prospectus with the Registrar of Companies. The Price Addendum shall form an integral part of this Agreement upon execution.


15.3 Cumulative Remedies.

The rights and remedies of each of the Parties and each Indemnified Party under Clauses 10 and 10A of this Agreement are cumulative and are in addition to any other rights and remedies provided by applicable law or otherwise. No single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or the exercise of any other right or remedy.

16. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Republic of India. Any disputes, differences, or claims arising out of or in connection with this Agreement, or its breach, termination, or validity, shall be subject to the exclusive jurisdiction of the courts at New Delhi, being courts of competent jurisdiction for the place where Share India Capital Services Private Limited (Book Running Lead Manager) has its registered office and/or principal place of business in the National Capital Region, to the exclusion of all other courts.

17. ARBITRATION

For HAPPY STEELS LIMITED

Abhishek Garg
Managing Director
DIN-00621845



Master Capital Services Ltd

Director

17.1 Constitution of Arbitral Tribunal.

Any dispute, controversy, or claim arising out of or in connection with this Agreement, or the breach, termination, or invalidity thereof, shall be referred to and finally resolved by a panel of three (3) arbitrators constituted as follows:

(i) the Book Running Lead Manager and the Co- Book Running Lead Manager (acting jointly as one bloc, whether as claimants or respondents) shall, within thirty (30) days of the notice of arbitration, jointly nominate one (1) arbitrator; and the Issuer Company shall, within the same period, nominate one (1) arbitrator; and

(ii) the two (2) arbitrators so nominated shall, within thirty (30) days of their appointment, jointly appoint the presiding arbitrator. In the event that the Book Running Lead Managers (jointly) or the Issuer Company fails to nominate its arbitrator within the said period, or the two appointed arbitrators fail to agree upon the presiding arbitrator within the said period, such arbitrator or presiding arbitrator, as the case may be, shall be appointed by the Delhi High Court upon application by any Party, in accordance with Section 11 of the Arbitration and Conciliation Act, 1996, as amended from time to time.

17.2 Arbitration Proceedings.

The decision of the arbitral tribunal shall be final and binding on all Parties. All proceedings shall be conducted under the Arbitration and Conciliation Act, 1996 (as amended from time to time), in the English language. The seat and legal place of arbitration shall be New Delhi, and the venue of arbitration shall be New Delhi.

17.3 No Stay of Performance.

Any reference to arbitration shall not affect the performance by the Parties of their respective obligations other than those relating to the specific dispute referred to arbitration. For the avoidance of doubt, no Party shall be entitled to refuse, delay, or suspend performance of any obligation under this Agreement — including, in particular, the mandatory underwriting obligations of each Underwriter under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992 — on the ground that a dispute has been referred to or is pending before an arbitral tribunal.

17.4 Interim Relief and Equitable Remedies.

Notwithstanding anything contained in this Clause 17, each of the Book Running Lead Manager and the Co- Book Running Lead Manager (each independently, without being required to act jointly or to obtain the consent of the other) shall have the right, without being obligated to first initiate arbitration proceedings, to seek and obtain from any court of competent jurisdiction, including the courts at New

Delhi, any interim relief, emergency relief, injunction, specific performance, or other equitable remedy that may be urgently necessary to protect its rights and interests under this Agreement or to prevent any actual or threatened breach of this Agreement by the Issuer Company. The Issuer Company hereby expressly waives any objection to the jurisdiction of such court for the purpose of granting such interim or emergency relief.

The Issuer Company acknowledges that monetary damages may not be a sufficient remedy for certain breaches of this Agreement and that the Book Running Lead Manager and the Co- Book Running Lead Manager (each separately and independently) shall be entitled to seek equitable relief, including injunctions and orders for specific performance, without the requirement to post any bond or security.

18. AMENDMENT

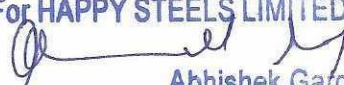
No amendment, supplement, modification, or clarification to this Agreement shall be valid or binding unless set forth in writing and duly executed by all Parties (being the Issuer Company, the Book Running Lead Manager, and the Co- Book Running Lead Manager).

Notwithstanding the foregoing, the Book Running Lead Manager and the Co- Book Running Lead Manager (each acting independently in respect of its own obligations and rights, or jointly where the waiver or modification affects both Book Running Lead Managers) shall be entitled at any time, in their respective sole and absolute discretion and without requiring the consent of the Issuer Company, to: (a) waive any obligation, condition, or requirement imposed on the Issuer Company under this Agreement (provided that where a waiver by one Book Running Lead Manager would affect the rights or obligations of the other Book Running Lead Manager, such waiver shall require the written consent of both Book Running Lead Managers); (b) extend any time limit or deadline for compliance by the Issuer Company; or (c) modify any provision of this Agreement that is solely for the benefit of the Book Running Lead Managers (or either of them), provided that any such waiver, extension, or modification shall not thereby prejudice any other right or remedy of the Book Running Lead Manager or the Co- Book Running Lead Manager and shall not be deemed to constitute a waiver of any other or subsequent obligation or breach.

The Issuer Company shall have no corresponding right to waive or modify any obligation of the Book Running Lead Manager or the Co- Book Running Lead Manager without the prior written consent of the relevant Book Running Lead Manager (in the case of an obligation of that Book Running Lead Manager alone) or both Book Running Lead Managers (in the case of a joint obligation of both Book Running Lead Managers).

of the other Book Running Lead Manager, such waiver shall require the written consent of both BOOK

19. SEVERABILITY

For HAPPY STEELS LIMITED

Abhishek Garg
Managing Director



Master Capital Services Ltd


Director

If any provision of this Agreement is determined by a court of competent jurisdiction or arbitral tribunal to be invalid, void, or unenforceable in whole or in part, such invalidity, voidness, or unenforceability shall attach only to such provision or the applicable part thereof and shall not affect the validity or enforceability of any other provision of this Agreement. The remaining provisions shall continue in full force and effect as if such invalid, void, or unenforceable provision had not been included. In such event, the Parties shall negotiate in good faith to replace such invalid, void, or unenforceable provision with a valid, enforceable provision that achieves, to the greatest extent possible, the commercial intent and economic effect of the invalid provision. Notwithstanding the foregoing, no provision of this Agreement that constitutes or gives effect to the mandatory underwriting obligations of the Underwriters under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992, shall be capable of being severed from this Agreement, and any finding of invalidity in respect of such provisions shall not affect, diminish, or qualify the statutory underwriting obligations of the Underwriters, which shall continue to subsist by force of statute.

20. COUNTERPARTS


This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original; however, all counterparts together shall constitute one and the same Agreement. Execution by electronic signature or by scanned/digital copy of a Party's signature shall be as valid and binding as an original wet-ink signature, in accordance with Section 5 of the Information Technology Act, 2000, read with the applicable provisions of the Indian Contract Act, 1872. Each Party may execute this Agreement by signing a separate counterpart and delivering it to the other Parties by electronic transmission (including email PDF), and the Agreement shall be treated as duly executed upon all three Parties having so delivered their respective executed counterparts.

21. ILLEGALITY

If any provision of this Agreement is held to be illegal, void, invalid, or unenforceable under any enactment or rule of law, such provision shall to that extent be deemed not to form part of this Agreement, and the provisions of Clause 19 (Severability) shall apply, including in respect of the obligation of the Parties to negotiate in good faith a replacement provision and the preservation of the mandatory underwriting obligations of the Underwriters under applicable SEBI regulations.

22. ASSIGNMENT

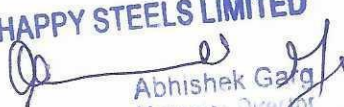
The Issuer Company shall not assign any of its rights or obligations under this Agreement without the prior written consent of the Book Running Lead Managers, which consent may be withheld in the Book Running Lead Managers' sole and absolute discretion.

For HAPPY STEELS LIMITED

Abhishek Garg



Master Capital Services Ltd


Each of the Book Running Lead Manager and the Co- Book Running Lead Manager shall be entitled, without requiring the consent of the Issuer Company, to assign or transfer all or any part of its rights and benefits (but not its underwriting obligations under Clause 2 of this Agreement or its mandatory statutory obligations under **Regulation 260** of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and **Regulation 22B** of the SEBI (Merchant Bankers) Regulations, 1992, which are personal and non-assignable) under this Agreement to any Affiliate of the relevant Book Running Lead Manager or to any successor entity resulting from a merger, amalgamation, or reconstruction of the relevant Book Running Lead Manager, and to engage sub-agents, sub-contractors, or delegates to perform any of its obligations hereunder; provided that (i) the assigning Book Running Lead Manager shall remain primarily liable for the performance of all of its obligations under this Agreement notwithstanding such assignment; (ii) any assignee shall, as a condition of such assignment, confirm in writing to all Parties its agreement to be bound by the obligations of the assigning Book Running Lead Manager; and (iii) for the avoidance of doubt, neither the Book Running Lead Manager nor the Co- Book Running Lead Manager shall assign or transfer its underwriting obligations to any person, and any purported assignment of underwriting obligations shall be void.

For **HAPPY STEELS LIMITED**

Abhishek Garg
Managing Director
DIN-00621845



Master Capital Services Ltd


Director

CONSENT AND AUTHORISATION BY THE LEAD MANAGER

Share India Capital Services Private Limited ("Book Running Lead Manager" / "Underwriter") hereby certifies its consent to act as Book Running Lead Manager and Underwriter to the aforesaid Issue and to its name being included as Book Running Lead Manager and Underwriter in the Red Herring Prospectus, and Prospectus which the Issuer Company proposes to issue. The Book Running Lead Manager hereby authorises the Issuer Company and the Book Running Lead Manager (in its capacity as coordinating book running lead manager) to deliver this Agreement to the Designated Stock Exchange, the Registrar of Companies, and SEBI.

CONSENT AND AUTHORISATION BY THE CO-LEAD MANAGER

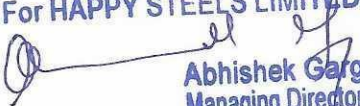
Master capital Services Limited ("Co-Book Running Lead Manager" / "CLM") hereby certifies its consent to act as Co- Book Running Lead Manager and Underwriter to the aforesaid Issue and to its name being included as Co- Book Running Lead Manager in the Red Herring Prospectus, and Prospectus which the Issuer Company proposes to issue. The Co- Book Running Lead Manager hereby authorises the Issuer Company and the Book Running Lead Manager (in its capacity as coordinating book running lead manager) to deliver this Agreement to the Designated Stock Exchange, the Registrar of Companies, and SEBI.

IN WITNESS WHEREOF

The Parties have executed this Agreement as of the date first written above.

For and on behalf of

HAPPY STEELS LIMITED

For HAPPY STEELS LIMITED

Abhishek Garg
Managing Director
DIN-00621845

Signature:

Abhishek Garg

00621845

Managing Director

Date: June 16, 2026

Witness:

Name:

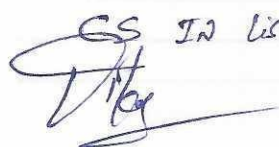
VIKAS GUPTA

Address:

125, GAGAN PAGER,
DABA ROAD, LUOHIANA
- 141016 (PB)

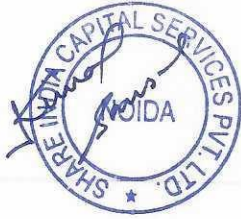
Occupation:

Signature:

CS IN list of G.


For and on behalf of

SHARE INDIA CAPITAL SERVICES PRIVATE LIMITED (Book Running Lead Manager / Underwriter)



Signature: _____

Mr. Kunal Bansal

Vice President

PAN: ARJPB3162A

Date: June 16, 2026

Witness: _____

Name: Shilpi

Address: Shastri Nagar, New Delhi - 110052

Occupation: _____

Signature: Shilpi

For and on behalf of

MASTER CAPITAL SERVICES LIMITED (Co-Book Running Lead Manager / CLM)

Master Capital Services Ltd.


Director

Signature: _____

Puneet Singhania

DIN: 01551462

Designation: Whole Time Director

Date: June 16, 2026

Witness: _____

Name: Mohit Verma

Address: SCO 19, Feroze Gandhi Market
Ludhiana, Punjab 141001

Occupation: CS

Occupation: _____

Signature: Mohit Verma

SCHEDULE A

UNDERWRITING FEES PAYABLE BY THE ISSUER COMPANY

1. The Issuer Company shall pay the underwriting commission to the Book Running Lead Manager at the rates mutually agreed upon in the respective engagement/mandate letters, subject to: (a) the ceiling prescribed under **Rule 12** of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, and where the Articles of Association of the Issuer Company prescribe a ceiling lower than that specified in Rule 12, such lower ceiling shall apply, and (b) **Regulation 22B(1)** of the SEBI (Merchant Bankers) Regulations, 1992, which prohibits any Book Running Lead Manager or Co-Book Running Lead Manager from deriving any direct or indirect benefit from underwriting the Issue other than the commission payable under this Agreement.
2. The aggregate underwriting commission payable to the Book Running Lead Manager shall be in proportion to their respective underwriting commitments as set out in Clause 2.1 of this Agreement, unless otherwise mutually agreed in writing between the Parties. The commission payable to each of the Book Running Lead Manager shall be paid by the Issuer Company, in accordance with the payment timeline specified in Clause 9.1 of this Agreement (being upon receipt of final invoice and in any event not later than five (5) Business Days from the date of listing of the Equity Shares on the Designated Stock Exchange). For the avoidance of doubt, the total commission payable to Book Running Lead Manager shall not exceed the aggregate ceiling prescribed under Rule 12 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
3. All applicable taxes (including Goods and Services Tax at the applicable rate) will be additional and shall be borne by the Issuer Company, and shall be paid simultaneously with the underwriting commission.
4. Any other claims or miscellaneous expenses of the Book Running Lead Manager and the Co-Book Running Lead Manager in connection with the Issue shall be borne by the Issuer Company, subject to: (a) prior written approval of the Book Running Lead Manager (in respect of Lead Manager expenses); (b) prior written approval of the Co-Book Running Lead Manager (in respect of Co-Lead Manager expenses); and (c) prior written approval of both Lead Managers (in respect of any joint or shared expenses). All such claims shall be supported by appropriate documentation and submitted within thirty (30) days of the expenses being incurred.
5. The above-mentioned fees or terms may be changed and modified only by a written amendment executed by all Parties in accordance with Clause 18 (Amendment) of this Agreement.

For HAPPY STEELS LIMITED


Abhishek Gara



Master Capital Services Ltd

