

COPY OF THE SPECIAL RESOLUTION PASSED IN THE EXTRA-ORDINARY GENERAL MEETING OF THE COMPANY HELD ON WEDNESDAY, 07TH JANUARY, 2026 AT 11:00 AM AT THE REGISTERED OFFICE OF THE COMPANY AT KANGANWAL ROAD, VILLAGE JASPAL BANGAR, LUDHIANA, PUNJAB-141122.

APPROVAL OF INITIAL PUBLIC OFFER OF EQUITY SHARES OF THE COMPANY THROUGH A FRESH ISSUE

“RESOLVED THAT pursuant to the provisions of Sections 23, 62(1) (c) and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules and Regulations notified thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended, (collectively referred to as the “Companies Act”), the Securities Contracts (Regulation) Act, 1956, as amended, in each instance, including the rules, Regulations, circulars, guidelines issued thereunder, each as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable Regulations and guidelines issued by the Securities and Exchange Board of India, the Foreign Exchange Management Act, 1999, as amended, and the rules and Regulations made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, and any other applicable laws, rules, Regulations, policies, guidelines including any foreign investment law, clarifications, directions, circulars, orders and notifications issued by the Government of India (“GOI”), including the Department for Promotion of Industry and Internal Trade, the Registrar of Companies, Chandigarh (“ROC”), Securities and Exchange Board of India (“DEA”), Reserve Bank of India (“RBI”) or Stock Exchange(s) and any other applicable laws, policies, rules and Regulations, in India or outside India (collectively, the “Applicable Laws”), and in accordance with the enabling provisions of the memorandum of association and the articles of association of the Company and the provisions of the Chapter IX of SEBI ICDR Regulations (including any statutory modification or re-enactment thereof, for the time being in force) and the listing agreement to be entered into with the stock exchange where the equity shares and/or other Securities of the Company are proposed to be listed on the SME platform of the Stock Exchange, and subject to any approvals from the Registrar of Companies, Chandigarh (“ROC”), SEBI and any other appropriate governmental, statutory and regulatory authorities of India (“Regulatory Authorities”) and any third parties, and such other approvals, consents, waivers, permissions and sanctions as may be required from the Regulatory Authorities and such third parties (if any) and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, waivers, permissions and sanctions, and which may be agreed to by the Board (which term shall include a duly authorised committee thereof for the time being exercising the powers conferred by the Board including the powers conferred by this resolution), the consent and approval of Members of the Company be and is hereby accorded to create, issue and allot up to **38,50,000 Equity Shares (Thirty Eight Lakhs and Fifty Thousands Equity Shares)** of face value of Rs. 10/- each, for cash being raised pursuant to the fresh issue (the “Fresh Issue”) or such other extent as may be permitted under the applicable laws, for the purpose of rounding off to the nearest integer while finalizing the basis of allotment including the issue and allotment of Equity Shares and/or other Securities to Market Maker, in accordance with the provisions of Regulation 261 of Chapter IX of the SEBI ICDR Regulations and/or other applicable statutory and/or regulatory requirements, including the issue in terms of Chapter IX of the SEBI ICDR Regulations at a price to be determined by the Book Building process in



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terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, for cash at such premium or discount per Equity Share as allowed under Applicable Laws and as may be fixed and determined, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, out of the authorised capital of the Company to any category of person or persons as permitted under applicable laws, who may or may not be the shareholder(s) of the Company as the Board may, decide, including anchor investors, if any, Hindu undivided families, foreign portfolio investors, venture capital funds, alternative investment funds, foreign venture capital investors, multilateral and bilateral financial institutions, non-resident Indians, state industrial development corporations, insurance companies registered with the Insurance and Regulatory Development Authority of India, provident funds, pension funds, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, development financial institutions, trusts/societies registered under the Societies Registration Act, 1860, Indian mutual funds, systemically important nonbanking financial companies, members of group companies, Indian public, bodies corporate, companies (private or public) or other entities, authorities, and to such other persons in one or more combinations thereof, whether through the Issue or otherwise in one or more modes or combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws and in one or more tranches in consultation with the BRLMs /or other advisors or such persons appointed for the Issue and on such terms and conditions as may be finalised by the Board in consultation with the BRLMs and that the Board in consultation with the BRLMs may finalise all matters incidental thereto as it may in its absolute discretion think fit.

RESOLVED FURTHER THAT the Consent of the members is accorded to the Board and/or such other persons as may be authorised by the Board on behalf of the Company to make available for allocation a portion of the Issue to any category(ies) of persons permitted under Applicable Laws, including without limitation or to provide a discount to the Issue price to individual bidders (“Discount”); and to take any and all actions in connection with any Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing and that, it is noted/ ratified/ approved that the Board has appointed M/s. Share India Capital Services Private Limited, SEBI Registration Number INM000012537 and Master Capital Services Limited, SEBI Registration Number-INM000000107 as the Book Runner Lead Manager (BRLM) to manage the Public Issue.

RESOLVED FURTHER THAT the Equity Shares so allotted under the Issue shall be subject to the memorandum of association and the articles of association of the Company and shall rank *pari passu* in all respects with the existing Equity Shares of the Company including rights in respect of dividend.

RESOLVED FURTHER THAT All monies received out of the Issue shall be transferred to a separate Bank Account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;

- i. details of all monies utilized out of the Issue referred above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- ii. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- iii. Our Company shall comply with the requirements of Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

RESOLVED FURTHER THAT the Consent of members of the Company is hereby accorded to the Board and/or any other committee thereof, be and is hereby authorised or to delegate all or any of the powers herein conferred in such manner as it may deem fit for the purpose of giving effect to the above resolutions and any transfer and allotment of Equity Shares pursuant to the Issue, including but without limitation, the following:

- a) Empowering such persons or committees as may be deemed appropriate, for the purposes of issue, transfer, offer and allotment of Equity Shares, and other matters in connection with or incidental to the Issue, including the pricing and terms of the Equity Shares, the Issue price, the price band, the size and all other terms and conditions of the Issue including the number of Equity Shares to be issued, offered and transferred in the Issue, the bid / Issue opening date and bid / Issue closing date, determining the classes of investors to whom Equity Shares may be allotted or transferred, determining the anchor investor portion and allocating such number of Equity Shares to anchor investors in consultation with the BRLMs and in accordance with the SEBI ICDR Regulations and to constitute such other committees of the Board, as may be required under applicable laws, including as provided in the SEBI Listing Regulations;
- b) making available for allocation, a portion of the Issue to any category(ies) of persons permitted under Applicable Laws, including without limitation, eligible employees of the Company (the "Reservation") and / or to provide a discount to the Issue price to any category(ies) of persons permitted under applicable laws, including without limitation, individual bidders and / or eligible employees (the "Discount") and to take any and all actions in connection with any Reservation or Discount as the Board or a duly constituted committee thereof, in consultation with the BRLMs, may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board or duly constituted committee thereof may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing;
- c) authorization of any Director or Directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorized person in his/her/its absolute discretion may deem necessary or desirable in connection with the issue, transfer, offer and allotment of Equity Shares pursuant to the Issue;
- d) giving or authorizing any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- e) to open and operate bank account(s) of the Company in terms of the escrow and sponsor bank agreement, as applicable, and in terms of Section 40(3) of the Companies Act or as may be required by the Regulations issued by SEBI and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- f) appointing the BRLMs in accordance with the provisions of the SEBI ICDR Regulations and other applicable laws;
- g) to decide, negotiate and finalise the pricing, the terms of the issue of the specified Securities and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with investors, in consultation with the BRLM;

- h) seeking, if required, any approval, consent or waiver from the Company's lenders, industry data providers and / or parties with whom the Company has entered into various commercial and other arrangements / agreements including, without limitation, customers, suppliers, strategic partners of the Company, and / or any / all concerned governmental and regulatory authorities in India, including the RBI and SEBI and / or any other approvals, consents or waivers that may be required in connection with the issue, transfer, offer and allotment of Equity Shares and approving and issuing advertisements in relation to the Issue, and taking such actions or giving such directions as may be necessary or desirable and to obtain such approvals, consents or waivers, as it may deem fit;
- i) deciding in consultation with the BRLMs and (as applicable) on the size, timing, pricing, discount, reservation and all the terms of the Issue, Equity Shares, and all other related matters, including the determination of the minimum subscription for the Issue, price band, bid period, Issue price, and to accept any amendments, modifications, variations or alterations thereto; in accordance with Applicable Laws;
- j) approving the Draft Red Herring Prospectus ("DRHP"), the Red Herring Prospectus ("RHP") and the Prospectus ("Prospectus the abridged prospectus and application forms, the preliminary and final international wrap and any amendments (including amending, varying, supplementing or modifying the same, or providing any notices, addendum or corrigendum thereto, together with any summaries thereof as may be considered desirable or expedient) in relation to the Issue as finalized in consultation with the BRLMs, in accordance with Applicable Laws;
- k) withdrawing the DRHP or the RHP or not proceeding with the Issue at any stage, if considered necessary and expedient in accordance with applicable laws and in consultation with the BRLM;
- l) settling any questions, difficulties or doubts that may arise in relation to the Offer, in consultation with the BRLMs if the need so arises, including such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under Applicable Laws to the officials of the Company;
- m) approving suitable policies on insider trading, whistle blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other applicable laws;
- n) seeking the listing and trading approval of the Equity Shares on the Stock Exchange(s), submitting the listing application to such Stock Exchange(s) and taking all actions that may be necessary in connection with obtaining such listing and trading approval, including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;
- o) appointing, in consultation with the BRLMs, the registrar, legal advisor, monitoring agency, underwriters to the Issue, syndicate members to the Issue, brokers to the Issue, sponsor bank to the Issue, advisors to the Issue, escrow collection banks to the Issue, advertising agencies and other intermediaries to the Issue, in accordance with the provisions of the SEBI ICDR Regulations and other applicable laws, as well as legal counsels and banks or other agencies concerned and entering into any agreements or other instruments for such purpose, to negotiate and finalise and amend the terms of their appointment to remunerate all such intermediaries / agencies including the payments of commissions, brokerages, etc. and to terminate any agreements or arrangements with such intermediaries / agents;
- p) finalizing and arranging for the DRHP to be submitted to the Stock Exchange(s) for receiving comments, the RHP and the Prospectus to be filed with the Registrar of Companies, and any corrigendum, addendum, amendments or supplements thereto, and take all such actions as may be necessary for filing of these documents including incorporating such

alterations/corrections/modifications as may be required by and to submit undertaking/certificates or provide clarifications to SEBI, Stock Exchange(s), the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;

- q) authorizing the maintenance of a register of holders of the Equity Shares;
- r) finalizing of the basis of allotment of the Equity Shares in accordance with Applicable Laws;
- s) issuing advertisements in such newspapers as it may deem fit and proper in accordance with the SEBI ICDR Regulations and other applicable laws;
- t) delegating its powers as may be deemed necessary and to the extent allowed under Applicable Laws to the committees of the Board or the officials of the Company;
- u) approving any corporate governance requirement that may be considered necessary by the Board or as may be required under applicable laws or listing agreements to be entered into by the Company with the Stock Exchange(s), in connection with the Issue;
- v) approving code of conduct as may be considered necessary or as required under applicable laws for the Board, officers of the Company and other employees of the Company;
- w) approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the offering, Issue, transfer and allotment of the Equity Shares, and utilization of the Fresh Issue proceeds;
- x) accepting and appropriating of the proceeds of the Issue in accordance with Applicable Laws; and
- y) to do any other act and/or deed, to negotiate and execute any document(s), application(s), agreement(s), undertaking(s), deed(s), affidavits, declarations and certificates, and/or to give such direction as it deems fit or as may be necessary or desirable with regard to the Issue, and utilizing the Issue proceeds, in such manner as the Board may deem fit, and giving such directions and/or instructions as it may from time to time decide and accepting and giving effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, and taking such actions or giving such directions, as may be necessary or desirable with regard to the Issue.

RESOLVED FURTHER THAT in case of oversubscription no allotment shall be made by the issuer in excess of the specified Securities offered through the Issue document: Provided that in case of oversubscription, an allotment of not more than ten per cent of the net issue to public may be made for the purpose of making allotment in minimum lots [As per the Regulation 268 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018].

RESOLVED FURTHER THAT in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally authorized to execute and deliver any and all other documents, papers or instruments and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof.

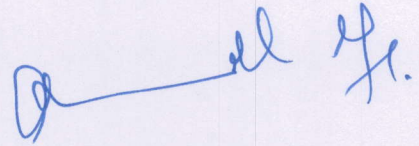
RESOLVED FURTHER THAT any Director of the Company and /or Company Secretary and Compliance Officer or Chief Financial Officer of the Company be and are hereby severally authorized

to issue certified true copies of these resolutions to various authorities and to file necessary forms with ROC and to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolutions”.

CERTIFIED TRUE COPY

FOR HAPPY STEELS LIMITED

(Formerly Known as Happy Steels Private Limited)



DATE: 07/01/2026

PLACE: LUDHIANA

**(ABHISHEK GARG)
MANAGING DIRECTOR
DIN: 00621845**

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

To create, issue and allot up to **38,50,000 Equity Shares (Thirty Eight Lakhs and Fifty Thousands Equity Shares)** of face value of Rs. 10/- each, for cash being raised pursuant to the fresh issue (the "Fresh Issue") on such terms, in such manner, at such time and at such price or prices and as may be discovered in accordance with the applicable laws, including, without limitation the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), to various categories of investors including qualified institutional investors, retail individual investors, non-institutional investors, non-resident Indians, foreign portfolio investors, as permitted under the SEBI ICDR Regulations and other applicable laws.

The Equity Shares allotted shall rank in all respects pari passu with the existing Equity Shares of the Company.

The proposed issue is a fresh issue of the Equity Shares by the Company. The Company intends to at the discretion of the board of directors of the Company ("Board"), undertake the Issue and list its Equity Shares at an opportune time in consultation with the book running lead managers ("BRLMs") and other advisors and subject to applicable regulatory approvals and other approvals, to the extent necessary. The Board has in its meeting held on 29 December, 2025 approved the Issue, subject to the approval of the members of the Company.

With respect to the Issue, the Company will be required to file a draft red herring prospectus (the "DRHP") with the Stock Exchange, and subsequently file a red herring prospectus (the "RHP") with the Registrar of Companies, Chandigarh ("ROC"), the stock exchange and thereafter with SEBI, and file a prospectus with the ROC, the Stock Exchange and thereafter with SEBI in respect of the Issue (the "Prospectus", and together with the DRHP and the RHP, the "Issue Documents"), in accordance with the SEBI ICDR Regulations, the Companies Act, 2013, and the rules notified thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (collectively referred to as the "Companies Act") and other applicable laws. Material information pertaining to the Issue is as follows:

- i. **Issue Price:** The price at which the Equity Shares will be allotted through the Issue shall be determined and finalized by the Company in consultation with the book running lead managers, in accordance with the SEBI ICDR Regulations, on the basis of the book building process.
- ii. **The object(s) of the Issue:** The proceeds of the Issue are to be utilized for the purposes that shall be disclosed in the Issue Documents. The Board has the authority to modify the above objects on the basis of the requirements of the Company, in accordance with applicable laws.
- iii. **Intention of Directors/Key management personnel to subscribe to the Issue:** The Company has not made and will not make an issue of Equity Shares to any of the directors or key management personnel. However, the directors or the key management personnel may apply for the Equity Shares in the various categories under an Issue in accordance with applicable law, including the SEBI ICDR Regulations.



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- iv. Whether a change in control is intended or expected: No change in control of the Company or its management is intended or expected pursuant to the Issue.

The Equity Shares are proposed to be listed on SME Platform of the Stock Exchange and the Company will be required to enter into listing agreement with the Stock Exchange.

None of the directors, key managerial personnel and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business.

The Board recommends the Special Resolution set out at Item No. 1 of the Notice for approval by the members.

Hence, the approval of the members is being sought by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in passing of said resolution.

**For Happy Steels Limited
(Formerly known as Happy Steels Private Limited)**



**Deepak Garg
Whole Time Director
DIN: 08311407**