

# DAVINDER PAL SINGH & CO.

CHARTERED ACCOUNTANTS

H.O: House No.933,  
HIG Independent Sector 70,  
Mohali District SAS Nagar,  
Mobile No.98140-25756  
Phone: 0161-4610756,  
E-mail: cadavinderpal@gmail.com



B.O. : 524-L Model Town,  
Opp. Bawa Bakery, Ludhiana,  
Mobile No. 83600-54645  
Phone No. 161-2310756  
E-mail: dpsinghca@yahoo.com

## Certificate on Capitalization Statement

To,

The Board of Directors

M/s. Happy Steels Limited

Kanganwal Road, Jaspal Bangar  
Ludhiana - 141122, Punjab, India

Share India Capital Services Private  
Limited

A-25, Basement, Sector 64,  
Gautam Buddha Nagar, Noida,  
Uttar Pradesh- 201301, India ("BRLM")

Master Capital Services Limited

Master Chambers, S.C.O 19  
Feroz Gandhi Market,  
Ludhiana, 141001 ("Co-BRLM")

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the "Equity Shares") by Happy Steels Limited**

We, Davinderpal Singh & Co, Chartered Accountants (Firm Registration Number: 007601N), Peer Reviewed and Statutory Auditors, a request from the Company to verify and certify the information with respect to the capitalization statement, as included in the Red Herring Prospectus to be filed by the Company with Stock Exchange and any other regulatory or statutory authority.

We have performed the following procedures:

- Traced the amounts for items included in **Annexure A**, from the restated financial statements for the Fiscals ended March 31, 2024, March 31, 2025 and March 31, 2026.
- Recomputed the arithmetical accuracy of the items included in **Annexure A**.

We have conducted our examination in accordance with the 'Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

Based on the aforementioned procedures, we certify that the information included in **Annexure A** is true and correct.

We confirm that the information in this certificate is true and correct and is in accordance with the requirements of the Companies Act, ICDR Regulations and other applicable law, and there is no untrue statement or omission which would render the contents of this certificate misleading in any material aspect. We confirm that the information in this certificate is adequate to enable investors to make a well-informed decision, to the extent that such information with respect to us is relevant to the prospective investor to make a well-informed decision.

This certificate is for information and for inclusion (in part or full) in the Red Herring Prospectus ("RHP") and the Prospectus ("Prospectus") including any addenda or corrigenda thereto, filed in relation to the Offer (collectively, the "Offer Documents") or any other Offer-related material, and may be relied upon by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to the submission of this certificate as may be necessary to SEBI, the Registrar of Companies (the "RoC"), the relevant stock exchanges, any other regulatory authority and/or for the records to be maintained by the Book Running Lead Manager and in accordance with applicable law.

## Branch Offices:

- Taran Villa, Shimla Pahari, Hoshiarpur, M. No: +91 99881-17156
- 105, Golden Avenue Amritsar-143001 M.No +91 99152-59909
- 1229, Sector 15-B, Chandigarh, M. No: +91 94631-82642

- S-53, Okhla Industrial Estate, Phase-2, New Delhi, M. No. +91 98140-25756
- 73 A/4 Partap Complex, Sundar Nagar, Mandi, M. No +91 98551-25756

. www.davindernalsingh.ca



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We hereby consent to this certificate being disclosed by the Book Running Lead Managers, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to inform the Book Running Lead Manager promptly, in writing of any changes, intimated to us by the management of the Company in writing, to the above information until the Equity Shares commence trading on the relevant stock exchanges, pursuant to the Offer. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the stock exchanges, pursuant to the Offer.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,

FOR DAVINDERPAL SINGH & CO`  
Chartered Accountants  
FRN. 007601N

Arun Rattan  
Partner

Membership No. 508414

UDIN: 26508414TUV0EK3160



Place: Ludhiana

Date: 19/06/2026

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## ANNEXURE A

### CAPITALISATION STATEMENT

S. No.	Particulars	Pre - Issue	Post Issue
<b>A</b>	<b>Borrowings</b>		
	Short Term Borrowings (I)	3,057.55	[●]
	Long Term Borrowings (II)	1,660.47	[●]
	<b>Total Borrowings (I) + (II)</b>	<b>4,718.02</b>	<b>[●]</b>
<b>B</b>	<b>Equity</b>		
	Equity Share Capital	1,049.82	[●]
	Other Equity	2,948.45	[●]
	<b>Total Equity (B)</b>	<b>3,998.27</b>	<b>[●]</b>
	<b>Capitalisation (A) + (B)</b>	<b>8,716.29</b>	<b>[●]</b>
	<b>Total Borrowings/Total Equity (C=A/B)</b>	<b>1.18</b>	<b>[●]</b>

- Notes: 1. Short term borrowings represent which are expected to be paid/ payable within 12 months and includes instalment of term loans repayable within 12 months.
2. Long term borrowing represent debts other than Short term borrowings as defined above excluding instalment of term loans repayable within 12 months grouped under short term borrowings
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2026.
4. While calculating the post issue shareholder's funds, we have considered the impact of fresh issue of up to 38,50,000 equity shares being offered through IPO at a price of Rs. [●] per share. We've not taken impact of estimated issue expenses.



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