

**SELLING, DISTRIBUTION AND MARKETING
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

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



SELLING, DISTRIBUTION AND MARKETING AGREEMENT

THIS SELLING, DISTRIBUTION AND MARKETING AGREEMENT (hereinafter referred to as the “Agreement”) is made at Ludhiana, Punjab on the 16th day of June, and entered into by and between:

HAPPY STEELS LIMITED (formerly known as Happy Steels Private Limited, if applicable), a Company incorporated under the Companies Act, 1956 and 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 it be 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 Companies Act, 2013 and having SEBI registration number INM000012537 and having its registered office at A-25, Basement, Sector-64, Noida – 201301, Uttar Pradesh, India (hereinafter referred to as “**Book Running Lead Manager**”, or “**BRLM**” which expression shall, unless it be 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 “**Co-BRLM**”), 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, the Book Running Lead Manager and the Co-Book Running Lead Manager are collectively referred to as the “**Lead Managers**” or “**BRLMs**”.

WHEREAS:

- a) The Issuer Company is proposing an Initial Public Issue of up to **38,50,000** Equity Shares of the Company (“**Equity Shares**”) having face value of Rs.10.00 (Rupees ten each) (the “**Issued Shares**”) in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (hereinafter referred to as the “**SEBI ICDR Regulations**”) and applicable Indian securities laws for an Issue Size not exceeding [●] Lakhs (“**Issue Size**”) (such public issue being hereinafter referred to as the “**Issue**”) in accordance with the requirements of the Companies Act, the SEBI Regulations and other applicable laws.
- b) The Public issue shall be conducted through Book Built method/process, pursuant to which the shares are to be offered in the Issue.
- c) 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) at the Extra – Ordinary General Meeting (EGM) held on **January 07, 2026** which collectively authorized the Issuer Company's Directors, or any other authorized representative, for the purpose of the Public Issue, to issue and sign the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, this Agreement, the Memorandums of understanding, any amendments or supplements thereto and any and all other writings as may be legally and customarily required in pursuance of the Issue and to do all acts, deeds or things as may be required.

For **HAPPY STEELS LIMITED**


Abhishek Garg
Managing Director

Master Capital Services Ltd


Director



- d) One of the requirements of issuing shares to the Public in accordance with the Chapter IX of the SEBI ICDR Regulations, 2018, as specified in Regulation 260 of the said Regulations is that the Issue shall be 100% underwritten and the BRLM shall underwrite at least 15% of the total Issue. In this Issue, SICSPL has underwritten 100% of the Issue.
- e) The Issuer Company desires to engage the services of the SICSPL for the distribution and marketing of the Issue;
- f) The SICSPL possesses the necessary expertise and capabilities to provide such services effectively.

NOW, THEREFORE IT IS HEREBY AGREED BY AND AMONG THE PARTIES HERETO AS FOLLOWS:

1. Engagement of Services

- a. The Issuer Company hereby engages Share India Capital Services Private Limited (BRLM) to act as its exclusive financial advisor for the Selling, distribution and marketing, of the Issue (“Services”).
- b. Share India Capital Services Private Limited (BRLM) accepts the engagement and agrees to diligently perform the Services outlined herein.

2. Scope of Services

2.1. SICSPL shall undertake the following services (“Services”):

- a. Advise and assist the Company in structuring the Issue, including determining the appropriate type and size of securities to be issued.
- b. Prepare and review all necessary documentation and disclosures related to the Issue, ensuring compliance with regulatory requirements and market standards.
- c. Assist in obtaining necessary regulatory approvals and clearances for the Issue, liaising with regulatory authorities as required.
- d. Develop and execute a comprehensive marketing and distribution strategy for the Issue, aiming to maximize investor interest and subscription.
- e. Provide continuous advisory support throughout the issuance process, including guidance on market conditions, investor feedback, and potential adjustments to the strategy.

2.2. SICSPL shall use its best efforts and expertise to ensure the successful distribution, marketing, and underwriting of the Issue, in accordance with industry standards and regulatory requirements.

3. FEES, COMMISSIONS AND EXPENSES

3.1. In consideration of the obligations performed by the BRLM, the Issuer Company shall agree to pay an amount of 5% of the Issue Size as marketing fees and commissions as mutually agreed by the parties in respect of the obligations undertaken by them, as per the individual engagement/mandate letters. Such aggregate fee shall be paid to SICSPL or such other persons as will be directed by the SICSPL from time to time. Furthermore, All the applicable taxes will be charged in addition to the above-mentioned fees.

FOR HAPPY STEELS LIMITED
Abhishek Garg

Master Capital Services Ltd



4. TERMINATION

- 4.1. This Agreement shall commence on the date first written above and shall continue until the completion of the Services, unless terminated earlier in accordance with this Agreement.
- 4.2. In case of termination either party can send an intimation of termination of this agreement in writing through electronic mode, digital mode or otherwise, which shall be construed as delivered and such intimation shall be conclusive notwithstanding any communication held in past or future.

5. NOTICES

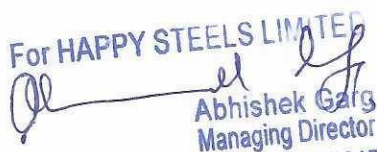
Any notice or other communication given pursuant to this Agreement must be in writing and (a) delivered personally, (b) sent by telefacsimile or other similar facsimile transmission, (c) or sent by registered mail, postage prepaid, address of the party specified in the recital to this agreement, or to such fax number as may be designated in writing by such party. All notices and other communications required or permitted under this agreement that are addressed as provided in this section 18 will (x) if delivered personally or by overnight courier, be deemed given upon delivery; (y) if delivered by telefacsimile or similar facsimile transmission be deemed given when electronically confirmed; and (z) if sent by registered mail, be deemed given when received.

If to the Issuer Company:	HAPPY STEELS LIMITED Attn: Mr. Abhishek Garg (Managing Director) Address: Kanganwal Road, Jaspal Banger, Ludhiana-141122, Punjab, India Telephone: +91-6239821029 Email: Agarg@happysteels.com
If to the Book Running Lead Manager:	Share India Capital Services Private Limited Attn: Mr. Kunal Bansal (Vice President) Address: A-25, Basement, Sector-64, Gautam Buddha Nagar, Noida – 201301, Uttar Pradesh, India Telephone: 0120-6483000 Email: mb@shareindia.com
If to the Co-Book Running Lead Manager:	Master Capital Services Limited Attn: Mr. Puneet Singhanian (Whole Time Director) Address: A-852-A, Basement, Sushant Lok, Phase-I, Gurgaon, Gurugram-122002, Haryana, India Telephone: +91-9781580561 Email: secretarial@mastertrust.co.in

6. TIME IS THE ESSENCE OF THE AGREEMENT

All obligations of the Issuer Company, the BRLMs, are subject to the conditions that time wherever stipulated, shall be of the essence of the Agreement. Consequently, any failure on the part of the Company or the BRLMs to adhere to the time limits shall unless otherwise agreed between the Company and the BRLMs, discharge the BRLMs or Company of his / their obligations under the Agreement. This Agreement shall be in force from the date of execution and will expire on completion of allotment for this Issue.

7. SEVERAL OBLIGATIONS

For HAPPY STEELS LIMITED

Abhishek Garg
Managing Director

Master Capital Services Ltd


Director



The Issuer Company and the BRLMs acknowledges and agrees that they are all liable on a several basis to each other in respect of this representation, warranties, indemnities, undertakings and other obligations given, entered into or made by each of them in this Agreement.

8. MISCELLANEOUS

The Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective successors. The BRLMs shall not assign or transfer any of its respective rights or obligation under this Agreement or purport to do so without the consent of the Issuer Company. The Issuer Company shall not assign or transfer any of their respective rights or obligations under this Agreement or purport to do so without the consent of the BRLMs.

9. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Republic of India and shall be subject to Delhi Jurisdiction.

10. ARBITRATION

Reference to arbitration - Any dispute arising out of this agreement between the BRLMs and the Issuer Company shall be referred to the Arbitrator who shall be appointed mutually by both the parties and the decision of such Arbitrator shall be final and binding on both the parties.

All proceedings in any such arbitration shall be conducted under the Arbitration and Conciliation Act, 1996, as amended, and shall be conducted in English. The arbitration shall take place in Delhi.

11. 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 the Parties to this Agreement.

12. SEVERABILITY

If any provisions of this agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provisions or the applicable part of such provision and the remaining part of such provision and all other provisions of this Agreement shall continue to remain in full force and effect.


13. COUNTERPARTS

This Agreement may be executed in separate counterparts; each of which when so executed and delivered shall be deemed to be an original, but all the counterparts shall constitute one and the same Agreement.

14. ILLEGALITY

If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

For HAPPY STEELS LIMITED




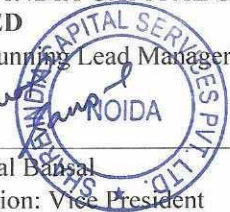




Abhishek Garg
Managing Director
DIN-00621845

Master Capital Services Ltd


Director



IN WITNESS WHEREOF, the Parties have entered this agreement on the date mentioned above.

PARTY	WITNESS
<p>For and on behalf of HAPPY STEELS LIMITED</p> <p> Abhishek Garg Managing Director DIN-00621845</p> <p>Mr. Abhishek Garg Designation: Managing Director DIN: 00621845</p>	<p>Name: <u>Sambhav Sharma</u> Address: <u>Luxmi Nagar haibowal</u> <u>Ludhiana - 141001 (PB)</u></p> <p>Signature: <u></u></p>
<p>For and on behalf of SHARE INDIA CAPITAL SERVICES PRIVATE LIMITED (Book Running Lead Manager)</p> <p> Mr. Kunal Bansal Designation: Vice President</p> <p></p>	<p>Name: <u>Shilpi</u> Address: <u>Shresthi Nagar, New Delhi -</u> <u>110052</u></p> <p>Signature: <u></u></p>
<p>For and on behalf of MASTER CAPITAL SERVICES LIMITED (Co-Book Running Lead Manager)</p> <p>Master Capital Services Ltd.</p> <p> Director</p> <p>Mr. Puneet Singhania Designation: Whole Time Director DIN: 01551462</p>	<p>Name: <u>VIKAS GUPTA</u> Address: <u>SCO-19, Feroze Gandhi</u> <u>Market, Ludhiana - 141001 (PB)</u></p> <p>Signature: <u></u></p>