

To,

Securities and Exchange Board of India

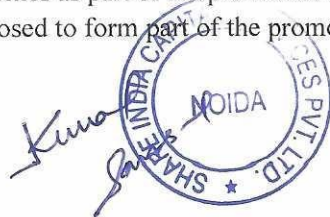
Plot No.C4-A,'G' Block,
Bandra Kurla Complex, Bandra
(East), Mumbai 40005, Maharashtra

Dear Sirs,

Sub.: Proposed Initial Public Offer of Happy Steels Limited (“Happy Steels” Or “HSL” or “Issuer Company”)

We confirm that:

- (1) We have examined various documents including those relating to litigation, including commercial disputes, patent disputes, disputes with collaborators, etc. and other material while finalising the offer document of the subject issue;
- (2) On the basis of such examination and discussions with the issuer, its directors and other officers, other agencies, and independent verification of the statements concerning the objects of the issue, price justification, contents of the documents and other papers furnished by the issuer, we confirm that:
 - (a) the draft offer document filed with the Board is in conformity with the documents, materials and papers which are material to the issue;
 - (b) all material legal requirements relating to the issue as specified by the Board, the Central Government and any other competent authority in this behalf have been duly complied with; and
 - (c) the material disclosures made in the draft offer document are true and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 2013, these regulations and other applicable legal requirements.
- (3) Besides ourselves, all intermediaries named in the draft offer document are registered with the Board and that till date, such registration is valid.
- (4) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments.
- (5) Written consent from the promoters has been obtained for inclusion of their specified securities as part of the promoters contribution subject to lock in and the specified securities proposed to form part of the promoters contribution subject to lock in shall not be disposed

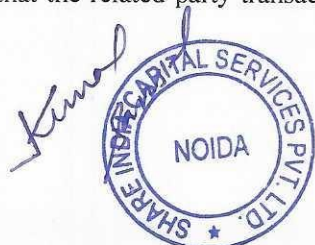


Handwritten signature: *Kumar*
Circular stamp: SHARE INDIA CAPITAL SERVICES PVT. LTD. NOIDA

or sold or transferred by the promoters during the period starting from the date of filing the draft offer document with the Board till the date of commencement of lock-in period as stated in the draft offer document.

- (6) All applicable provisions of these regulations, which relate to specified securities ineligible for computation of promoter contribution have been and shall be duly complied with and appropriate disclosures as to compliance with the said regulation(s) have been made in the draft offer document.
- (7) All applicable provisions of these regulations which relate to receipt of promoters contribution prior to opening of the issue, shall be complied with. Arrangements have been made to ensure that the promoters contribution shall be received at least one day before the opening of issue and the auditor's certificate to this effect shall be duly submitted to the Board. We further confirm that arrangements have been made to ensure that the promoters contribution shall be kept in an escrow account with a scheduled commercial bank and shall be released to the issuer along with the proceeds of the issue.
- (8) Necessary arrangements shall be made to ensure that the monies received pursuant to the issue are credited or transferred to in a separate bank account as per the provisions of sub-section (3) of section 40 of the Companies Act, 2013 and that such monies shall be released by the said bank only after permission is obtained from all the stock exchanges, and that the agreement entered into between the bankers to the issue and the issuer specifically contains this condition.
- (9) The existing business as well as any new business of the issuer for which the funds are being raised fall within the 'main objects' in the object clause of Memorandum of Association or other charter of the issuer and that the activities which have been carried in the last ten years are valid in terms of the object clause of the Memorandum of Association.
- (10) Following disclosures have been made in the draft offer document
 - (a) An undertaking from the issuer that at any given time, there shall be only one denomination for the equity shares of the issuer, excluding SR equity shares, where an issuer has outstanding SR equity shares, and
 - (b) An undertaking from the issuer that it shall comply with all disclosure and accounting norms specified by the Board.
- (11) We shall comply with the regulations pertaining to advertisements in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- (12) If applicable, the entity is eligible to list on the innovators growth platform in terms of the provisions of Chapter X of these regulations.

We enclose a note explaining the process of due diligence that has been exercised by us including in relation to the business of the issuer, the risks in relation to the business, experience of the promoters and that the related party transactions entered into for the period disclosed in the offer



document have been entered into by the issuer in accordance with applicable laws.

We enclose a checklist confirming regulation-wise compliance with the applicable provisions of these regulations, containing details such as the regulation number, its text, the status of compliance, page number of the draft offer document where the regulation has been complied with and our comments, if any.

**For Share India Capital Services Private Limited
(Book Running Lead Manager to the Issue)**

A handwritten signature in blue ink, appearing to read 'Kunal', is written over a circular blue ink stamp. The stamp contains the text 'SHARE INDIA CAPITAL SERVICES PVT. LTD.' around the perimeter and 'NOIDA' in the center, with a small star symbol at the bottom.

**Kunal Bansal
Vice President**

Date: February 12, 2026

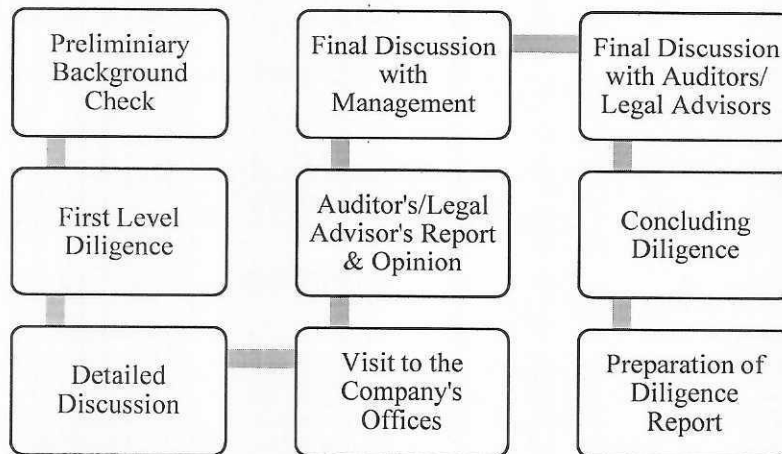
Place: Noida

ANNEXURE A

NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE

We, the Book Running Lead Manager to the proposed IPO of Happy Steels Limited ("Company" or the "Issuer") have conducted the Due Diligence of the Company, a summary of which is explained herein below:

However, the Due Diligence procedure set forth below is only a summary and is not exhaustive, a step plan of our entire Due Diligence exercise is depicted below for easy understanding:



Some of the key highlights of the above process are captured below as a summary:

Preliminary Background Check

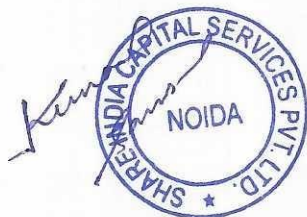
We conducted a preliminary background check of the Company, its existing Directors and Promoters through websites in public domain like watchoutinvestors.com, RBI list of wilful defaulters and the like.

First Level Diligence

We submitted a check list of documents containing salient features of the Offer Document covering areas like General Corporate information, Capital structure, and Business overview. Management, History and Corporate structure, Group companies, Legal Information, Governments as well as general approvals amongst others.

On receipt of documents from the Company as per the Due Diligence Checklist, we have examined all the documents with their supporting back up source documents and have evaluated the products and/or services offered by the Company, the management team and their background, technology. Market competition, differentiators, financial plan amongst other areas.

We further had follow-up meetings with the management team of the Company including visits to their registered office, Corporate Office and Other sites on sample basis. Physical verification enabled us to assess management and operational capabilities, business nature of the Company, corporate governance compliances, etc. During the course of visit, we interacted with the various personnel of Company and after a detailed discussion we developed an understanding on the model of the Company.



Post visit, we made broad comparison of the Company's process with the help of Company write ups, published documents, annual report etc. which enabled us to carry out SWOT Analysis, and areas of risk relating to the industry as well as specific to the company.

Concluding Due Diligence:

In this phase of Due Diligence, we consolidated the inputs received through the earlier phases and concluded our Due Diligence with carrying out inter alia the following activities:

1. We have reviewed various lease deed/ rent agreement relating to the properties like land, office building, etc which is leased by the Company and for further we discussed with the legal advisor to the Issue to determine any risk related to the properties which can affect the Company's operations.
2. We reviewed sanction letters of lenders to understand the terms & conditions complied by the Company for availing the loan and which assets are subject to charge and risk related to the debt arranged.
3. We have verified whether the Company is regular with their ROC compliances. Income Tax and compliances of other statutory authorities by reviewing ROC Challans, forms, Income Tax Acknowledgements, company's resolutions etc.
4. We have reviewed the Minute books of EGM and Board Meetings, which helped us to know the important decisions taken by the Company & inherent risk with decisions and also checked the Company's compliances with RoC.
5. We checked the registration of intermediaries proposed to be involved in the issue in various capacities.
6. We prepared a checklist of all the disclosures required to be made in the Prospectus as per the SEBI (ICDR) Regulations 2018 and mapped all those against the actual disclosures made in the Prospectus of this Issue.
7. We understood the issue objects, checked the Company's Memorandum of Association and incorporated the proposed utilization of Issue Proceeds in the Prospectus.
8. We have examined (i) originals or where that was not possible copies, certified or otherwise, of such documents, corporate records, certificates from public officials and other instruments as we have deemed relevant to the Issue. In such examination we have assumed the genuineness of all signatures. The authenticity of all documents and records submitted to us as originals and the conformity with the originals of all documents and records submitted to us a copy thereof.
9. We have relied on the Certifications or Undertakings provided by the Management of the Company, Statutory Auditors, and Legal Advisor to the Issue and other advisors/Consultants if any for various disclosures in the Prospectus.

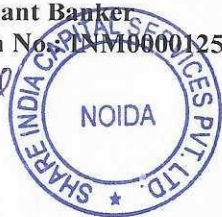
For Share India Capital Services Private Limited

Category I Merchant Banker

SEBI Registration No. INM100012537



**Kunal Bansal
Vice President**



Date: February 12, 2026

Place: Noida