Happy Steels Ltd.

Date: 13th Nov, 2026

To,

The Manager,
The Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

SCRIP SYMBOL: HAPPY

Sub: Statement of deviation or variation of funds under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended on September 30, 2026.

Dear Sir/Madam,

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that there is no deviation or variation in the use of proceeds for the half year ended on September 30, 2026, from the objects stated in the Offer Letter of Public Issue of the Company. A statement confirming that there is no deviation or variation in the utilisation of these proceeds is attached.

This is for your information and taking the same on record.

Thanking you,
FOR HAPPY STEELS LIMITED

Isha Ghai
Digitally signed by Isha Ghai
Date: 2026.11.13 18:19:20 +05'30'

HAPPY STEELS LIMITED LUDHIANA

(Isha Ghai)
Company Secretary & Compliance Officer
M.No.: A75277

+91-7009075760 info@happysteels.com
MSME REGD - UDYAM-PB-12-0003258
CIN : L35923PB1996PLC018348
GSTIN : 03AAACH6019D1Z8
ADDRESS : Village Jaspal Bangar, Kanganwal Road, Ludhiana, Punjab 141122 || WEBSITE : happysteels.com
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Happy Steels Ltd.

Statement on Deviation or Variation for proceeds of Public Issue, Rights Issue, Preferential Issue, Qualified Institutions Placement Etc.

Name of the Listed Entity	**HAPPY STEELS LIMITED**
Mode of Fund Raising	Public Issue
Date of Raising Funds	16-07-2026
Amount Raised	**INR 25Crores (approx.)**
Report filed for Half Year ended	30-09-2026
Monitoring Agency	Not Applicable
Monitoring Agency Name, if applicable	Not Applicable
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable
If Yes, Date of shareholder Approval	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	No
Comments of the auditors, if any	No

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Objects for which funds have been raised and where there has been a deviation, in the following table:

Sr.	Original Object	Modified Object, if any	Original Allocation (Rs. In Lacs)	Modified allocation, if any (Rs. In Lacs)	Funds Utilised (Rs. In Lacs)	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
1	Fund being raised for Capital Expenditure towards purchase of additional plant and machinery for our existing manufacturing unit	Nil	1315.83	0.00	0.00	0.00	Unutilised funds kept in FDR with AU Small Finance Bank and Monitoring Agency Account with Axis Bank. (Note:1)
2	Repayment/ Prepayment of Term Loans to Banks	Nil	498.15	0.00	498.15	0.00	Nil
3	General corporate purposes	Nil	361.61	0.00	361.61	0.00	Nil
4	Issue Related Expenses	Nil	324.49	0.00	303.53	0.00	Unutilised balance retained in Public Offer Account with Axis Bank (Note: 2)
	Total		**2500.08**	**0.00**	**1163.29**	**0.00**	

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Note: 1 - The unutilized IPO proceeds of ₹1,315.83 lakh earmarked for capital expenditure have been kept in Fixed Deposits of ₹1,300.00 lakh with AU Small Finance Bank and the balance of ₹15.83 lakh retained in the Monitoring Account with Axis Bank, pending utilization for the stated purpose.

Note: 2 - Out of the IPO proceeds of ₹324.49 lakh earmarked for issue-related expenses, ₹303.53 lakh has been utilized, and the unutilized balance of ₹20.96 lakh is retained in the Public Offer Account maintained with Axis Bank pending utilization.

"Deviation or variation could mean:
(a) Deviation in the objects or purposes for which the funds have been raised or
(b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
(c) Change in terms of a contract referred to in the fund-raising document i.e. prospectus, letter of offer, etc."

FOR HAPPY STEELS LIMITED

(Abhishek Garg)
Managing Director
DIN: 00621845

HAPPY STEELS LIMITED LUDHIANA INDIA

Place: Ludhiana
Date: 13-11-2026

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 for IPO Fund Utilization

To
Board of Directors
M/s. Happy Steels Limited
Kanganwal Road, Jaspal Bangar,
Ludhiana, Punjab l4l 122, India

We have examined the books of accounts and other relevant Records/Documents maintained by Happy Steels Limited in connection with the utilization of proceeds on the Initial Public offering (lPO) as stated in the offer document for issuing 37,88,000 equity shares of Rs. 10/ each at a premium of Rs 56/- per share total amounting to Rs 2500.08 Lakhs (Twenty Five Crores and Eight thousand only).

As of September 30th, 2026, details of funds raised and their application are as follows:

(Amount in Rs. Lakhs)

Sr. No.	Object as Disclosed in Offer Document	Amount Disclosed in Offer Document	Actual Utilized Amount	Unutilized Amount	Remarks
1	Capital Expenditure towards purchase of additional plant and machinery for our existing manufacturing unit	1315.83	-	*1315.83	Unutilised funds kept in FDR with AU Small Finance Bank and Monitoring Account with Axis Bank.
2	Repayment/ Prepayment of Term Loans to Banks	498.15	498.15	-	NA
3	General corporate purposes	361.61	361.61	-	NA
4	Issue Related Expenses	324.49	303.53	**20.96	Unutilised balance retained in Public Offer Account with Axis Bank.
Total		**2500.08**	**1163.29**	**1336.79**	

* The unutilized IPO proceeds of ₹1,315.83 lakh earmarked for capital expenditure have been kept in Fixed Deposits of ₹1,300.00 lakh with AU Small Finance Bank and the balance of ₹15.83 lakh retained in the Monitoring Account with Axis Bank, pending utilization for the stated purpose.

** Out of the IPO proceeds of ₹324.49 lakh earmarked for issue-related expenses, ₹303.53 lakh has been utilized, and the unutilized balance of ₹20.96 lakh is retained in the Public Offer Account maintained with Axis Bank pending utilization.

This certificate is issued as per the guidance provided in the relevant ICAI special purpose certificate and is intended solely for your information.

DAVINDER PAL SINGH & CO. CA INDIA CHARTERED ACCOUNTANTS FRN:007601N LUDHIANA

DAVINDER PAL SINGH & CO.

CHARTERED ACCOUNTANTS

I.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*

This has been verified from the books of accounts and other relevant information produced before us for our verification.

Yours faithfully,

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

DAVINDER PAL SINGH & CO. CA INDIA CHARTERED ACCOUNTANTS FRN:007601N LUDHIANA

Arun Rattan
Partner
Membership No. 508414
UDIN: 26508414FSMLTH4586

Place: Ludhiana
Date: 13/11/2026