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Happy Steels Ltd.

Date: 03/09/2026

To

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

Symbol: HAPPY

SUBJECT: 30th ANNUAL REPORT OF THE COMPANY FOR THE FY 2025-26

Dear Sir,

Ref.: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 30th Annual Report of the Company for the Financial Year 2025-26.

This is for your information, records and necessary action, please.

Thanking you,

FOR HAPPY STEELS LIMITED

Isha Ghai Digitally signed by Isha Ghai Date: 2026.09.03 16:48:25 +05'30'

Isha Ghai

Company Secretary & Compliance Officer

Membership No.: A75277

Encl.: Annual Report for FY 2025-26

+91-7009075760 info@happysteels.com
CIN : L35923PB1996PLC018348
GSTIN : 03AAACH6019D1Z8

30TH ANNUAL REPORT

2025-2026

HAPPY STEELS LIMITED

(FORMERLY KNOWN AS HAPPY STEELS PVT. LTD.)

BOARD OF DIRECTORS	DESIGNATION	DIN
Sh. Parveen Kumar Garg	Whole Time Director	00621836
Sh. Abhishek Garg	Managing Director	00621845
Sh. Deepak Garg	Whole Time Director	08311407
Smt. Shashi Batta	Independent Director	11377531
Sh. Surinder Kumar	Independent Director	11387215
Sh. Vikas Giya	Director	01399764

COMPANY SECRETARY AND COMPLIANCE OFFICER
Ms. Isha Ghai

CHIEF FINANCIAL OFFICER
Mr. Varun Sharma

STATUTORY AUDITORS	SECRETARIAL AUDITORS
M/s. Davinder Pal Singh & Co.	M/s. P.S. Bathla & Associates
Chartered Accountants	Company Secretaries
Ludhiana	Ludhiana

REGISTERED OFFICE
CIN : L35923PB1996PLC018348
Kanganwal Road, Jaspal Bangar, Ludhiana, Punjab-141122
Tel : +91 6239821029
Email : info@happysteels.com
Website : www.happysteels.com

REGISTRAR & TRANSFER AGENTS
BIGSHARE SERVICES PRIVATE LIMITED Unit No. 526, Astralis Supernova Sector 94, Noida Expressway Noida, District Gautam Buddha Nagar Uttar Pradesh – 201301 Tel: 022-62638200 E-mail: ipo@bigshareonline.com

NOTICE

30TH AGM NOTICE

NOTICE is hereby given that, the **30TH Annual General Meeting** of the members of the Company will be held on Wednesday 30th day, of September, 2026 at 11:00 A.M. through video conferencing (vc) / other audio-visual means (oavm) to transact the following business and the venue of the meeting shall be deemed to be the registered office of the company at Happy Steels Limited kanganwal road, Jaspal Bangar, Ludhiana, Punjab-141122 IN, to transact the following business.

AS AN ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the Reports of the Board of Directors and the Auditors thereon.

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

"RESOLVED THAT the audited financial statements of the Company for the year ended 31st March, 2026 containing the Balance Sheet as at that date, the Statement of Profit & Loss, statement of changes in equity and the Cash Flow Statement for the year ended on that date together with the Notes and the Reports of Auditors and Board of Directors Report along with its annexures thereon be and are hereby approved and adopted."

2. Mr. Abhishek Garg (DIN: 00621845), Managing Director liable to retire by rotation and being eligible for re-appointment offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013, Mr. Abhishek Garg (DIN: 00621845), Managing Director who retires by rotation, and being eligible offers himself for reappointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation."

AS A SPECIAL BUSINESS:

ITEM NO. 3.
TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circulars issued thereunder from time to time and Section 204 and other applicable provisions of the Companies Act, 2013, if any read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s P.S. Bathla & Associates, Practicing Company Secretaries, Ludhiana (CP No. 2585) be and is hereby appointed as Secretarial Auditors of the Company for a period of 5 consecutive years, commencing from the financial year 2026-27 to 2030-31, to conduct the Secretarial Audit and issue the Secretarial Audit Report and Annual Secretarial Compliance Report, on such terms & conditions, including remuneration as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors.

RESOLVED FURTHER THAT approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

By order of the Board
For Happy Steels Limited

Sd/-
Abhishek Garg
Managing Director
DIN: 00621845

Date: 03rd Sep 2026
Place: Ludhiana

NOTES:

1. In compliance with the applicable provisions of the Companies Act, 2013 (the Act), the Listing Regulations and MCA Circulars, the 30th AGM of the Company is being held through VC/OAVM on Wednesday, 30th September, 2026 at 11:00 a.m. (IST). The proceedings of the AGM will be deemed to be conducted at the office of Happy Steels Limited at Kanganwal Road, Jaspal Bangar, Ludhiana, Punjab-141122 which shall be deemed venue of the AGM.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed herewith.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM may ordinarily appoint a proxy to attend and vote on his/her behalf. However, since this AGM is being held pursuant to MCA Circulars through VC/OAVM, the physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies is not available for this AGM and, therefore, the Proxy Form, Attendance Slip and Route Map have not been annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC and participate thereat and cast their votes through e-voting.

4. The Register of Members and Share Transfer books of the Company shall remain closed from 24th September, 2026 to 30th September, 2026 (both days inclusive), for the purpose of Annual General Meeting of the Company and payment of dividend, if any, for both physical and electronic segments.

5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company, so as to reach the registered office of the Company at least 10 days before the date of the meeting so that information required may be made available at the time of the Meeting.

6. In compliance with Ministry of Corporate Affairs (MCA) and SEBI's circulars, the notice of the 30th AGM and Annual Report for F.Y. 2025-26 is being sent only through electronic mode to those Members whose email addresses are Registered with the Company/RTA/Depositories. The Members may note that, the Notice will also be available on the Company's website at https://happysteels.com/ , Website of the Stock exchange i.e. NSE Limited at https://www.nseindia.com/ and on Website of the e-voting Agency-Central Depository & Services limited at www.evotingindia.com.
Any shareholder of the Company interested in obtaining a physical copy of the said Annual report may write to the Company Secretary at cs@happysteels.com.

7. The members are requested to:

i. Quote their folio number/Client ID & DP-ID in all correspondence with the company.

ii. Notify immediately to the company any change in their address/mandate, if any.

iii. Register their e-Mail id with the company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.

8. Shares of the Company are available for De-Materialization under ISIN- INE1GFG01011. Members who have not opted for De-Materialization are requested to do so in their own interest.

9. Pursuant to the provisions of Section 113 of the Act, Body Corporates/ Institutional / Corporate members intending for their authorised representatives to attend the meeting are requested to send to the Company, on cs@happysteels.com with a copy marked to evoting@cdsl.co.in from their registered Email ID a scanned copy (PDF / JPG format) of certified copy of the Board Resolution / Authority Letter authorising their representative to attend and vote on their behalf at the meeting.

10. A remote e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Members attending the

meeting who have not already cast their vote by remote e-voting shall be able to exercise the right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

12. M/s P.S. Bathla & Associates, Company Secretaries in practice, Ludhiana, have been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms). The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM and thereafter unblock the votes casted through remote e-voting and e-voting at AGM, prepare and present a consolidated scrutinizer report of the total votes cast in favour or against, invalid votes, if any, to the Chairman of the Company or a person authorised by him in writing who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.

13. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at https://www.happysteels.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of Results by the Chairman or a person authorized by him.

14. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM and Remote E-voting is annexed as Annexure-I.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at Toll Free Number: 1800 21 09911.

By order of the Board
For Happy Steels Limited

Sd/-
Abhishek Garg
Managing Director
DIN: 00621845

Dated: 03rd Sep 2026
Place: Ludhiana

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING

ITEM NO. 3

Pursuant to Regulation 24A of the SEBI Listing Regulations, every listed entity is required to conduct a Secretarial Audit by a Secretarial Auditor who shall be Peer Reviewed Company Secretary and annex a Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint a Secretarial Audit firm for a maximum of one term (in case of individual)/ two terms (in case of firm) of five consecutive years, with the approval of its shareholders in its Annual General Meeting. Accordingly, the Board of Directors of the Company at their meeting held on 01st Sep, 2026 has recommended the appointment of M/s P.S. Bathla & Associates (CP No. 2585) Practicing Company Secretaries as the Secretarial Auditor of the Company for a term of five consecutive years, commencing from the financial year 01st April, 2026 to 31st March, 2031.

M/s. P.S. Bathla & Associates have consented to their appointment as Secretarial Auditors and has confirmed that their appointment will be in accordance with Section 204 of Companies Act, 2015 read with SEBI (LODR) Regulations, 2015. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the applicable Act & Rules made thereunder and SEBI (LODR) Regulations.

Disclosure pursuant to Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

Proposed Fees Payable to Secretarial Auditor: Rs.1,00,000 (Rupees One Lac only) plus applicable tax and Reimbursement of out-of-pocket expenses if any for financial year 2026-27. The remuneration for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and Board of the Directors of the Company.

Terms of Appointment: 5 Consecutive Years i.e. from the financial year 2026-27 to financial year 2030-31.

Any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: Not Applicable

Basis of Recommendation of Appointment: Based on evaluation and consideration of various factors such as industry experience, competency of the audit team, efficiency and quality in conduct of audit, independent assessment, etc., further based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution for appointment of Secretarial auditor.

Details in relation to and credentials of the secretarial auditor proposed to be appointed: Mr. Parminder Singh Bathla (ICSI fellow membership no. 4391, CP No. 2585) is proprietor of M/s. P. S. Bathla & Associates. His Firm i.e. M/s. P. S. Bathla & Associates, Ludhiana is a peer reviewed firm and he is serving as a Secretarial Auditor to various listed and unlisted companies. Mr. Parminder Singh Bathla is a post graduate in commerce and a fellow member of the Institute of Company Secretaries of India. He is also a registered as an Insolvency Professional. He is having a rich experience of more than 40 years in handling compliances under Companies Act, Corporate Law and related legislations, Secretarial Audit, Due

Diligence, Corporate Restructuring advisory services for Merger, Amalgamation, take over, Scrutinizer for E-voting/Postal Ballot.

The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

Necessary resolution is proposed at item No. 3 of the aforesaid notice as an ordinary resolution. The Directors of your company recommend the above resolutions for your consideration and approval.

NOTICE OF INTEREST

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

By order of the Board
For Happy Steels Limited

Sd/-

Abhishek Garg
Managing Director
DIN: 00621845

Dated: 03rd Sep 2026
Place: Ludhiana

DIRECTORS' REPORT 2026

To
The Members
Happy Steels Limited

Your directors are pleased to present the 30th Annual Report on the operational and financial performance of the Company along with Audited Financial statements for the year ended 31st March 2026.

FINANCIAL PERFORMANCE

(Amount in Rs.) (In Thousands)

PARTICULARS	2025-26	2024-25
Revenue from operations	9,46,426.48	8,21,402.72
Other Income	19,304.32	3,840.44
Profit before Finance Cost, Depreciation, Tax and Other Expenses	**9,65,730.80**	**8,25,243.16**
Finance Cost	(26,249.14)	(28,608.64)
Depreciation	(31,288.13)	(24,293.01)
All Other Expenses	(8,15,129.98)	(7,38,433.92)
Profit before Tax	**93,063.56**	**33,907.58**
Provision for taxation	(23,389.08)	(8,595.41)
Profit after taxation	**69,674.48**	**25,312.18**
Earnings per equity share (In Rs.)		
1. Basic earnings per share 2. Diluted earnings per share	**6.64** **6.64**	**2.41** **2.41**

STATE OF COMPANY'S AFFAIRS

Happy Steels manufactures safety-critical, load-bearing driveline and transmission components through an integrated process spanning cutting, forging, heat treatment, precision machining and finishing. Our manufacturing strategy is built around capability rather than tonnage alone. The next phase of capital expenditure is intended to remove bottlenecks, improve yield and cycle time, add machining value, and expand the size and complexity envelope of components that we can develop for customers. For detailed note on state of company's affairs please refer Annexure-VI of "Management Discussion and Analysis".

FINANCIAL PERFORMANCE REVIEW

During FY 2025-26, the Company delivered a significant improvement in profitability: Profit After Tax (PAT) increased to ₹6.97 Crores from ₹2.53 Crores in FY 2024-25, representing a growth of approximately 175%, while Revenue from Operations increased by approximately 15%, from ₹82.14 crores to ₹94.64 crores.

The substantial improvement in PAT, despite the relatively moderate revenue growth, was primarily driven by improved operating margins, better absorption and management of material costs, a significant increase in other income and a reduction in finance costs.

1. A key contributor to the improvement in profitability was the favourable movement in material and inventory-related costs. While Revenue from Operations increased by 15%, the net cost represented by material consumption after considering the change in inventories increased by only approximately 3.1%. Consequently, this cost declined from approximately 55.4% of Revenue from Operations in FY 2024-25 to 49.6% in FY 2025-26, resulting in a material improvement in the contribution margin. The favourable inventory movement, reflected through a reduction of ₹7.59 crores in the change in inventories during FY 2025-26, also supported the overall cost structure and profitability for the year.

2. Other Income increased significantly from ₹38.40 lacs in FY 2024-25 to ₹1.93 crores in FY 2025-26. This represents an increase of approximately ₹1.54 crores. This increase is primarily attributable to receiving maturity proceeds of ₹1.05 crore from a keyman insurance policy during the year.

3. Finance Costs declined from ₹2.86 crores in FY 2024-25 to ₹2.62 crores in FY 2025-26, a reduction of approximately 8.2%, despite the growth in the Company's operations. This reduction directly benefited Profit Before Tax and indicates improved financing-cost management during the year.

TRANSFER TO RESERVES

The Company does not propose to carry any amount to any reserves.

DIVIDEND

The company listed its equity share on stock exchange on 16th July, 2026 and it continues to focus on strengthening its business operations and expansion. Hence, the Board of Directors does not recommend any dividend for the FY 2025 -26.

CHANGE IN THE NATURE OF BUSINESS

During the financial year under review, there was no change in the nature of business of the Company. Accordingly, the disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable.

EQUITY SHARE CAPITAL

a) Authorised and Paid-Up Share Capital

In the Extra Ordinary General Meeting dated 12-12-2025, the authorised share capital of the Company has increased from Rs.1,50,00,000/- divided into 15,00,000 Equity shares of Rs.10/- each to Rs.16,00,00,000/- divided into 1,60,00,000 Equity shares of Rs.10/- each.

During the year the paid-up share capital of the Company has increased from Rs.1,49,97,400 to Rs.10,49,81,800 by issue and allotment of 8,998,440 bonus shares of Rs. 10 each amounting to Rs.8,99,84,400. The paid-up Equity Share Capital as on 31st March 2026 was Rs.10,49,81,800/- (1,04,98,180 Equity shares of Rs.10/- each).

B) Bonus Issue

In the EGM dated 12-12-2025 the members approved to issue 8,998,440 bonus shares of Rs. 10 each in the proportion of 6 Bonus equity share for every 1 fully paid-up Equity Share held by the existing shareholder of the company. Further the said bonus shares were allotted on 29-12-2025 with the approval of Board in its meeting dated 29-12-2025.

DEPOSITS

During the Financial Year under review the company has not accepted any deposits within the meaning of section 73 of the companies Act, 2013 and rules made thereunder. Hence, the requirement of furnishing the details of the deposits which are not in compliance with Chapter V of the Act is not applicable.

REGISTRAR AND SHARE TRANSFER AGENTS

The Company had appointed M/s Bigshare Services Private Limited as its Registrar & Share Transfer Agent.

Name	BIGSHARE SERVICES PRIVATE LIMITED
Address	Unit No. 526, Astralis Supernova Sector 94, Noida Expressway Noida District Gautam Buddha Nagar Uttar Pradesh – 201301
Tel	022-62638200
E-mail	ipo@bigshareonline.com

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the period under review, the Company has not granted any loan, provided any guarantees and acquired any securities exceeding the limits as prescribed under Section 186(2) of the Companies Act, 2013.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The members of the Company's Board of Directors possess robust financial expertise, strategic insight, and exemplary leadership abilities. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 (hereinafter referred to as "Act"). The Board of Directors has an optimum combination of Executive, Non-Executive and Independent Directors.

Mr. Abhishek Garg, Managing Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting as per section 152 of the Companies Act. 2013 read with Article of Association of the Company and being eligible, offers himself for reappointment. Details of directors seeking re-appointment at the AGM pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard–2 on General Meetings issued by the Institute of Company Secretaries of India is annexed as Annexure-II.

During the F.Y. 2025-26 the following changes were there in the composition of directors of the company: -

1. In the Board Meeting dated 04-04-2025, the resignation of Mr. Harshit Chhabra Chartered Accountant (M.No.579598) from the position of Chief Financial Officer (CFO) of the Company was accepted w.e.f. 26.03.2025 and Mr. Varun Sharma HOD Accounts of the Company was appointed as CFO of the Company w.e.f. 01.04.2025.
2. Mr. Deepak Garg, (DIN: 08311407) was appointed as Whole Time Director of the company in the AGM dated 30.09.2025.
3. Mr. Parveen Kumar Garg (DIN: 00621836) was appointed as Whole Time Director of the company in the AGM dated 30.09.2025.
4. Mrs. Shashi Batta, (DIN: 11377531) was appointed as Independent Director of the Company by the members in the EGM dated 12-12-2025 for the period of 5years w.e.f. 01-12-2025.
5. Mr. Surinder Kumar, (DIN: 11387215) was appointed as Independent Director of the Company by the members in the EGM dated 12-12-2025 for the period of 5years w.e.f. 01-12-2025.

DECLARATION BY INDEPENDENT DIRECTORS

As on financial year ended on March 31, 2026, Independent Directors have confirmed that:

• they meet the criteria of independence laid down under the Act and SEBI Listing Regulations;

• they have complied with the code for independent directors prescribed under Schedule IV to the Act;

• they have registered themselves with the independent director's databank maintained by the Indian Institute of

Corporate Affairs;

• they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence;

• they have not been associated with any material supplier, service provider, or customer of the Company;

• they have not been partner, proprietor, or employee of the Company's statutory audit firm during the preceding financial year;

• they have not been affiliated with any legal or consulting firm that has or had business transactions with the Company, its subsidiaries, or associate companies, amounting to 10% or more of the gross turnover of such firm;

• and apart from receiving director's remuneration (including sitting fees), there have not been any material pecuniary relationship or transactions with the Company, its subsidiaries or associate companies, or their directors, during the three immediately preceding financial years or during the current financial year exceeding the limits specified under the Act and SEBI Listing Regulations.

Further, the Company confirms that neither the independent director nor their relative as defined under the Act, were employed, in an executive capacity by the Company, its subsidiaries, or associate companies during the preceding financial year.

Accordingly, based on the declarations received from all independent directors, the Board has confirmed that, in their opinion, independent directors of the Company are persons of integrity, possess relevant expertise and experience and fulfil the conditions specified in the Act and SEBI Listing Regulations and are independent of the management.

NUMBER OF BOARD MEETINGS HELD

The Board met 11 (Eleven) times during the year and the details of the Board meeting and Attendance of Directors are as follows:

Sr. No.	Date of Board Meeting	Total no. of Directors as on date of meeting	Directors Present
1	04-04-2025	4	4
2	07-05-2025	4	4
3	29-06-2025	4	4
4	14-08-2025	4	4
5	28-08-2025	4	4
6	28-10-2025	4	4
7	04-11-2025	4	4
8	22-11-2025	4	4
9	29-12-2025	6	6
10	12-01-2026	4	4
11	12-02-2026	4	4

COMMITTEES

The Company have following committees as on 31.03.2026: -

a) Audit Committee

The Company constituted the committee as per the provision of Section 177 of Company Act, 2013 and the Committee act in accordance with the terms of reference as specified in Section 177 of the Companies Act, 2013.

Composition of Committee

Sr. No.	Name of Directors	Designation
1	Shashi Batta	Chairperson, Independent Director
2	Surinder Kumar	Member, Independent Director
3	Vikas Giya	Member, Non-Executive Director

b) Nomination and Remuneration Committee

The Company constituted the committee as per the provision of Section 178 of Company Act, 2013 and the Committee act in accordance with the terms of reference as specified in Section 178 of the Companies Act, 2013.

Composition of Committee

Sr. No.	Name of Directors	Designation
1	Vikas Giya	Chairman, Non-Executive Director
2	Shashi Batta	Member, Independent Director
3	Surinder Kumar	Member, Independent Director

c) Stakeholder Relationships Committee

The Company has constituted the committee as per the provision of Section 178 of Company Act, 2013 and the Committee act in accordance with the terms of reference as specified in Section 178 of the Companies Act, 2013.

Composition of Committee

Sr. No.	Name of Directors	Designation
1	Vikas Giya	Chairman, Non-Executive Director
2	Abhishek Garg	Member, Managing Director
3	Surinder Kumar	Member, Independent Director

d) Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of Section 135(9) of Company Act, 2013, the Company is not liable to constitute the CSR committee. However, the Company has in place a well-defined Corporate Social Responsibility (CSR) Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The detailed Policy is available on the website of the company at the link https://happysteels.com/csr/ .

In accordance with the provisions of Section 135 of the Act, during the F.Y. 2025-26 the CSR provisions were not applicable to the company as company doesn't fall under any of the prescribed threshold limits.

SHAREHOLDER'S MEETING

During the year under review, following Shareholder's Meetings were held:

Sr. No.	Date	Meeting
1	19-04-2025	Extra Ordinary General Meeting
2	30-09-2025	Annual General Meeting
3	12-12-2025	Extra Ordinary General Meeting
4	07-01-2026	Extra Ordinary General Meeting

SECRETARIAL STANDARDS

The Directors state that all applicable Secretarial Standards issued by the Institute of Company Secretaries of India has been duly followed by the Company.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements, and transactions entered into by the Company with related parties during the financial year 2025-26, including any material modifications thereof, were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions during the year.

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is part of the Board Report in **Annexure-III** is annexed to this report.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and Listing Regulations. This Policy as considered and approved by the Board has been uploaded on the website of the Company at https://happysteels.com/wp-content/uploads/2026/02/Related-Party-Transactions-Policy.pdf

POLICY RELATED TO DIRECTORS' APPOINTMENT, REMUNERATION AND ANNUAL EVALUATION

The Company has established a Policy for the appointment and remuneration of Directors, which outlines the criteria for determining qualifications, performance evaluations, and other aspects concerning Independent Directors, the Board, Committees, and individual Directors. This includes performance evaluation criteria for both non-executive and executive directors. The Key provisions of Nomination and Remuneration policy are as follows:

Appointment criteria and qualifications:

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

The Company shall not appoint or continue the employment of any person as a Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for the extension of appointment beyond seventy years.

The Company's Nomination & Remuneration Policy, which covers the appointment, remuneration, qualifications, positive attributes, independence of Directors, and other related matters, is available on the website of the Company at https://happysteels.com/wp-content/uploads/2026/02/Nomination-Remuneration-Policy.pdf

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

Pursuant to provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a detailed statement is attached as **Annexure-IV.**

Apart from that, there are no Employees in the Company whose particulars are required to be disclosed in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are attached as **Annexure-V.**

ASSOCIATES AND SUBSIDIARIES

The Company has no Associate or Subsidiary Company(ies) during the Financial Year 2025-26.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis on matters related to the business performance as stipulated in the SEBI (LODR) Regulations, 2015 is given as a separate section in the Board Report as **Annexure-VI.**

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

[a] In the preparation of the annual accounts of the financial year ended 31st March, 2026, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material departures;

[b] The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

[c] The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

[d] The directors had prepared the annual accounts on a going concern basis; and

[e] The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

[f] The directors had devised proper systems to ensure compliance with the provisions all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted the Whistle Blower Policy/Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. Such mechanism/policy is uploaded on the website of the Company at https://happysteels.com/corporate-policies/ .

STATUTORY AUDITORS

At 29th Annual General Meeting held on 30th September 2025, M/s Davinder Pal Singh & Co. Chartered Accountants (FRN: 07601N), were appointed as statutory auditors of the Company to hold office from 29th Annual General Meeting till the conclusion of the 34th Annual General Meeting.

The Auditors' Report on the accounts of the Company for the financial year 2025-26 requires no comments. Further, there were no frauds reported by the Statutory Auditors of the Company during the period under review neither under Section 143(12) of the Act nor which are reportable to the Central Government.

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, Cost audit for the financial year 2025-26 is not applicable to the company, hence no cost auditor was appointed for cost audit purposes.

SECRETARIAL AUDIT

As per the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the compliance of secretarial audit/ appointment of secretarial auditor doesn't applicable to the company for the F.Y. 2025-26.

As the equity shares of the Company got listed on stock exchange on 16-07-2026, the aforesaid provisions read with Regulation 24A of the SEBI LODR Regulations, 2015 w.r.t. the appointment of Secretarial Auditor/ Secretarial Audit Report shall be applicable w.e.f. 01-04-2026 for the F.Y. 2026-27.

Hence, your directors proposed to appoint M/s P.S. Bathla & Associates, Practicing Company Secretaries (CP No. 2585) as Secretarial Auditors of the Company for the period of 5 consecutive years, commencing from the financial year 2026-27 to 2030-31, and recommend to approve the same in the ensuing Annual General Meeting.

INTERNAL AUDITOR

As per the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, appointment of Internal Auditor is applicable w.e.f. the F.Y. 2026-27, as the Company got its equity shares listed on stock exchange on 16-07-2026. Hence, Mr.Vipan Gupta & Company , (FRN No. 004188N), Chartered Accountants ,were appointed as Internal Auditors of the Company for the period of 1 financial years i.e., for the F.Y. 2026-27, by the Board in the Board Meeting dated 01-09-2026.

ANNUAL RETURN

A copy of Annual Return as of 31st March 2025 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014 and forming part of the report is placed at the website of the Company at https://happysteels.com/investors/ as per provisions of Section 134 (3)(a) of the Companies Act, 2013.

A copy of Annual Return for the financial year 2025-26 will be available on the website of the company after submission of the same with the Registrar of Companies.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The company has successfully issued and allotted 37,88,000 equity shares @66 (including premium of Rs.56) on 14-07-2026 and got it listed on Stock Exchange on 16-07-2026 through Initial Public Offering. This adds another dimension to our journey. Public ownership brings growth capital, but also a higher standard of accountability. We intend to strengthen Board oversight, internal controls, related-party governance, disclosure processes and investor communication. The market will measure us every day; management must remain focused on the longer-duration measures that create durable value - customer trust, quality, cash conversion, return on capital and execution discipline.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Risk is inherent in all administrative and business activities. Risks are such events or the conditions that has a harmful or negative impact on the organizational goal or its business objectives. The exposure to the consequences of uncertainty constitutes a risk. Every member of the Organization continuously manages risk. The activities of the company are subject to various external and internal risks i.e., Economic Environment and Market conditions, Political Environment, Competition, Inflation and Cost structure, Technology Obsolescence, Financial Reporting Risks, Contractual Compliance, Compliance with Local laws, Quality Management, Human Resource Management.

In order to achieve the effective Risk mitigation strategy, following framework shall be used: -

a) Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

b) Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging.

c) Risk Reduction: Employing methods/solutions that reduce the severity of the loss.

d) Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small risks where the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default.

This aforesaid framework constitutes the Risk Management Policy of the company and applies to all activities and processes associated with the normal operations of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company had laid down adequate internal financial controls with reference to financial statements. In pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014, the Company has an adequate system of internal controls in place. There are documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance regarding maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliances with regulations During the year such controls were tested and no material weakness in their operating effectiveness was observed.

CORPORATE GOVERNANCE

As the Company is listed on the SME Platform of NSE (NSE EMERGE), the provisions relating to Corporate Governance under Regulation 27 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not mandatorily applicable.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business.

DISCLOSURE IN PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Our Company is dedicated to supporting women in the workplace by ensuring a safe, healthy, and conducive working environment. The company has complied with the provisions related to constitution of Internal Complaints Committee under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

Summary of Sexual Harassment Complaints for the Financial Year 2025-26: -

• Number of Complaints at the Beginning of the Financial Year: NIL

• Number of Complaints Disposed of During the Year: NIL

• Number of Complaints Pending at the End of the Financial Year: NIL

• Nature of Action Taken by the Company: Not Applicable

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

As Company has not done any one-time settlement during the year under review hence no disclosure is required.

ACKNOWLEDGEMENT

Your directors place on records their sincere appreciation for the contributions made by the employees through their dedication, hard work and commitment in achieving your Company’s performance. In an increasingly competitive environment collective dedication of employees is delivering superior and sustainable shareholder value.

The Board also places on record its sincere appreciation towards the Company’s valued customers, vendors, shareholders and investors for their continued support to the Company.

For and on Behalf of the Board

Sd/-	**Sd/-**
(Abhishek Garg) **Managing Director** **DIN: 00621845**	**(Deepak Garg)** **Whole Time Director** **DIN: 08311407**

Place: Ludhiana
Date: 03rd Sep 2026

ANNEXURE-I

SHAREHOLDERS INSTRUCTIONS FOR E-VOTING AND JOINING VIRTUAL MEETING

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at https://happysteels.com/. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation to this Ministry's **General Circular No. 20/2020** dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it

has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access **through** Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through **CDSL** e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The Remote e-voting period begins on 26th Sep, 2026 at 09:00 A.M. (IST) and ends on 29th Sep, 2026 at 05:00 P.M. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd Sep, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	2) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 3) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 4) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 5) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

	4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to **e-Voting service provider website** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.18002109911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on “Shareholders” module.

3) Now enter your User ID

    a. For CDSL: 16 digits beneficiary ID,
    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(v) After entering these details appropriately, click on “SUBMIT” tab.

(vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(viii) Click on the EVSN for the relevant <HAPPY STEELS LIMITED> on which you choose to vote.

(ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, non-individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@happysteels.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**

3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no.18002109911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

ANNEXURE-II

Details of Directors seeking appointment/ re-appointment at the AGM

(Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 and the Secretarial Standard–2 on General Meetings issued by the Institute of Company Secretaries of India)

Name of Director	**Mr. Abhishek Garg**
DIN	00621845
Nationality	Indian
Date of Birth and Age	21/11/1983 43years
Date of first appointment on Board	15-05-2006
Qualification	Bachelor of Business Administration (BBA)
Brief Resume, Experience and Nature of Expertise in specific functional areas	Mr. Abhishek Garg has completed his degree in Bachelor of Business Administration in the year of 2006 from Devry University, Columbus, Ohio. He possesses over 19 years of experience in the manufacturing of axle, shafts and related products. His experience and industry knowledge have contributed to the Company's operational efficiency and growth. Under his leadership, the Company has focused on strengthening manufacturing capabilities and improving operations. He plays a key role in strategic planning and business development, contributing significantly to the growth and expansion of the Company. He is responsible for the overall management, strategic direction and operational performance of the Company. He further supervises financial oversight and governance, risk and compliance functions of the Company. His leadership, operational insight, and market understanding continue to strengthen the Company's competitive position.
Number of meetings of the Board attended during the year 2025-26	11
Terms and conditions of appointment or re-appointment	NA
Directorship in other Companies	HAPPY AXLE AND GEAR MANUFACTURING PRIVATE LIMITED - DIRECTOR HAPPY AUTOCOMP PRIVATE LIMITED – DIRECTOR HAPPY FORGETECH PRIVATE LIMITED– DIRECTOR
Occupation	Business

ANNEXURE-III

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the companies Act, 2013, and Rule 8(2) of the companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name of the related party and nature of relationship	Nature of contracts/arrangements transactions	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances if any
Not Applicable					

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of the related party and nature of relationship	Nature of contracts/arrangements transactions	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances if any
Happy Forgings Limited	Sale and Purchase of Goods (Substantial Interest)	One Year	Purchase and Sale shall be made at the prevailing market price i.e. Arm Length Price; upto Rs.15Cr	04-04-2025	NIL
Happy Axle and Gear Private Limited	Sale and Purchase of Goods, material or Capital Asset (Substantial Interest)	One Year	Purchase and Sale shall be made at the prevailing market price i.e. Arm Length Price; upto Rs.15Cr	04-04-2025	NIL
Happy Autocomp Private Limited	Sale and Purchase of Goods, material or Capital Asset	One Year	Purchase and Sale shall be made at the prevailing market price i.e. Arm Length Price; upto Rs.12Cr	04-04-2025	NIL

	(Substantial Interest)				
Northstar Autocomp Private Limited	Sale and Purchase of Goods, material or Capital Asset (Substantial Interest)	One Year	Purchase and Sale shall be made at the prevailing market price i.e. Arm Length Price; upto Rs.20Cr	04-04-2025	NIL

By order of the Board
For Happy Steels Limited
(Formerly Known as Happy Steels Private Limited)

Sd/-

(Abhishek Garg)
Managing Director
DIN: 00621845

Sd/-

(Deepak Garg)
Whole-Time Director
DIN: 008311407

Date: 03.09.2025
Place: Ludhiana

Annexure –IV

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

BOARD OF DIRECTORS	DESIGNATION	RATIO
Sh. Parveen Kumar Garg	Whole Time Director	18.44
Sh. Abhishek Garg	Managing Director	18.44
Sh. Deepak Garg	Whole Time Director	18.44
Smt. Shashi Batta	Independent Director	0.04
Sh. Surinder Kumar	Independent Director	0.04
Sh. Vikas Giya	Director	0.44

Explanation: the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of finite list of numbers may be found by arranging all the observations from the lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values).

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, and Company Secretary in the financial year:

NAME	DESIGNATION	% Increase
Sh. Parveen Kumar Garg	Whole Time Director	0
Sh. Abhishek Garg	Managing Director	0
Sh. Deepak Garg	Whole Time Director	0
Smt. Shashi Batta	Independent Director	NA
Sh. Surinder Kumar	Independent Director	NA
Sh. Vikas Giya	Director	NA
Ms. Isha Ghai	Company Secretary and Compliance Officer	0
Mrs. Varun Sharma	Chief Financial Officer	0

3. The percentage increase in the median remuneration of employees in the financial year: 2%

4. The number of permanent employees on the rolls of Company (as on 31.03.2026): 74

5. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 1.64 % as compared to increase of 0.00 % in the salaries of managerial personnel in the last financial year. The increments given to each individual employee is based on the employees' performance and retention & motivation policy of the Company.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

7. Details of employees who received remuneration in excess of Rupees One Crore and Two Lakh or more per annum:

During the year, none of the employees received remuneration in excess of Rs.102.00 Lakh or more per annum or Rs. 8.50 Lakhs per month for part of the year. In accordance with the provisions of Section 197 of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there is no information available to disclose.

During the year, none of the employees received remuneration in excess of that drawn by the Managing Director or Wholetime Director or Manager and none of the employees holds himself or along with his spouse and dependent children two percent of the equity shares of the Company.

Annexure – V

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of energy:

(i)	The Steps Taken or Impact on Conservation of Energy	The company takes several steps to conserve the energy, wherever possible. Some of measures taken are as Maximum utilization of natural light in the office premises. Using high efficiency lighting systems.
(ii)	The Steps Taken by The Company for Utilizing Alternate Sources of Energy	Company is encouraging the usage of alternative energy source-based products, services and processes.
(iii)	The Capital Investment on Energy Conservation Equipments	No specific investment has been made earmarked; however, expenses have been incurred wherever necessary.

B. Technology absorption:

(i)	The Efforts Made Towards Technology Absorption	The company is continuously making efforts for adaption of latest technology in all its units to effectively compete in Indian as well as in international markets.
(ii)	The Benefits Derived Like Product Improvement, Cost Reduction, Product Development or Import Substitution	It will help in production development and cost reduction.
(iii)	In Case of Imported Technology (Imported During the Last Three Years Reckoned from the Beginning of The Financial Year)-	Not Applicable
	(A) The Details of Technology Imported	
	(B) The Year of Import;	
	(C) Whether The Technology Been Fully Absorbed	
	(D) If Not Fully Absorbed, Areas Where Absorption Has Not Taken Place, and the Reasons Thereof	
(iv)	The Expenditure Incurred on Research and Development	No expenditure incurred on research and development during the year

C. Foreign exchange earnings and outgo:

During the year under review following are the Inflows and Outflows of Foreign Exchange: -

Sr. No.	Particulars	For the year ended 31st March, 2026
I.	**Foreign Exchange Outflows:**	
	a) Sales Commission	38,20,243.09

II.	**Foreign Exchange Inflows:**	
	a) Export of goods	17,56,37,876.45

By order of the Board
For Happy Steels Limited
(Formerly Known as Happy Steels Private Limited)

Sd/-	**Sd/-**
(Abhishek Garg)	**(Deepak Garg)**
Managing Director	Whole-Time Director
DIN: 00621845	DIN: 008311407

Date: 03.09.2025
Place: Ludhiana

ANNEXURE-VI

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

We submit herewith the Management discussion and analysis report on the business of the company as applicable to the extent relevant. This MD&A is structured to address the disclosures specified in Schedule V to the SEBI Listing Regulations.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Happy Steels operates within the automotive and engineering component manufacturing ecosystem, with exposure to tractors, commercial vehicles, off-highway equipment, defence mobility and Electric Vehicles (EV) driveline applications. Demand is influenced by OEM production, agricultural and infrastructure activity, vehicle replacement cycles, export sourcing trends, commodity prices and customer localisation strategies.

Indian component manufacturers continue to benefit from localisation, supply-chain diversification and global sourcing opportunities. At the same time, the sector remains exposed to steel and alloy-price volatility, energy costs, foreign exchange movements, customer concentration and demanding quality and delivery requirements.

OPPORTUNITIES

- Expansion of exports and global sourcing from India.
- Development of larger and higher-value forged and machined components.
- Growth in off-highway, commercial vehicle and specialty vehicle applications.
- Cross-selling additional product families to existing OEM and Tier-I customers.
- Improved operating leverage through higher utilisation of integrated manufacturing facilities.
- Process automation, yield improvement and value-added machining.

THREATS AND CONCERNS

- Volatility in alloy steel, molybdenum-linked grades, fuel, power, tooling and consumables.
- Dependence on significant customers and suppliers.
- Foreign exchange and international trade risks relating to export markets.
- Working-capital intensity due to inventory and customer credit cycles.
- Capacity under-utilisation if new business does not ramp up as planned.
- Potential competitive overlap with group companies and related-party scrutiny.

SEGMENT WISE PERFORMANCE

Segment Wise Sales comparison for FY -2025-26 & 2024-25				
Sr No	Segement	2025-26	2024-25	Growth (%)
1	Automative Industry	300,712,990.48	132,892,459.53	126.28
2	Non Automative Industry	558,742,377.26	555,349,815.52	0.61
3	Defence & Electric Vehicle	11,559,719.11	17,695,189.45	(34.67)
4	Scrap	65,245,038.43	56,808,942.30	14.85
5	Others	10,166,358.38	58,656,313.20	(82.67)
	Total	946,426,483.66	821,402,720.00	

PRODUCT WISE PERFORMANCE

Product Wise Sales comparison for FY -2025-26 & 2024-25				
Sr No	Item Segement	2025-26	2024-25	Growth (%)
1	Axle	632,464,735.27	527,674,933.77	19.86
2	Shaft	89,999,658.85	77,667,900.00	15.88
3	Stub Axle	19,489,695.97	33,348,442.88	(41.56)
4	Spindle	48,984,495.90	22,423,673.20	118.45
5	Knuckle, Case Diff, Stearing Arms	8,368,909.37	18,327,646.91	(54.34)
6	Rough Steel Forging	64,453,332.47	26,494,870.50	143.27
7	Job Work	2,194,422.29	48,151,466.49	(95.44)
8	Scrap	65,245,038.43	56,808,942.30	14.85
9	Others	15,226,195.11	10,504,844.12	44.94
	Total	946,426,483.66	821,402,720.17	

OUTLOOK

The Company's medium-term focus is on sustainable growth through exports, customer diversification, capacity enhancement, higher-value products and improved asset utilization. The proposed / ongoing machinery additions are intended to improve throughput and enable development of heavier and larger products that were constrained by existing equipment size, while also expanding the range of components that can be offered to customers.

RISKS AND CONCERNS

Principal risks include customer and supplier concentration, raw-material and energy inflation, foreign currency exposure, liquidity and working-capital requirements, capacity utilisation, labour availability, quality performance, regulatory compliance and competitive intensity. These risks are monitored through operational reviews, procurement planning, credit monitoring, quality systems, internal controls and Board-level oversight.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal Audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. All significant issues are brought to the attention of the Audit Committee of the Board.

FINANCIAL PEROFORMANCE VS OPERATION PERFORMANCE

Happy Steels Limited			
Parameters	**2025-26**	**2024-25**	**Change %**
Revenue From Operations	946,426,481.54	821,402,720.30	15.22
EBITDA	150,007,468.05	85,060,435.34	76.35
Profit Before Tax	93,063,557.82	33,907,581.05	174.46
Profit After Tax	69,674,478.59	25,312,175.01	175.26
Export Revenue	175,637,876.45	82,932,800.00	111.78
Domestic Revenue	770,788,605.09	738,469,920.30	4.38
Finance Cost	26,249,138.06	28,608,640.00	(8.25)
Working Capital	172,376,719.38	174,967,281.36	(1.48)
Major Expenses			
Job-work expenses	47,197,031.80	39,817,493.25	18.53
Power and Fuel	90,510,149.24	75,196,131.58	20.37

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

We submit herewith the Management discussion and analysis report on the business of the company as applicable to the extent relevant. This MD&A is structured to address the disclosures specified in Schedule V to the SEBI Listing Regulations.

By order of the Board
For Happy Steels Limited
(Formerly Known as Happy Steels Private Limited)

Sd/-

(Abhishek Garg)
Managing Director
DIN: 00621845

Sd/-

(Deepak Garg)
Whole-Time Director
DIN: 008311407

Date: 03.09.2025
Place: Ludhiana

Independent Auditors Report

To
The Members of
Happy Steels Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial Statements of Happy Steels Limited ('the Company), which comprise the Balance Sheet as at March 31, 2026, the Statement of profit and Loss, the Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial Statements")

ln our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in lndia, of the state of affairs of the Company as at March 31, 2026, and its profit and, its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the institute of Chartered Accountants of lndia together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in lndia, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

ln preparing the Financial Statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic so. alternative but to do.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate' they could reasonably be expected to influence the economic decisions of users taken based on these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit to design audit procedures that are appropriate in the circumstances. Under section 1a3(3)(i) of the act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. lf we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2020 ("the order,') issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in, Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order.

2. (A) As required by section 143(3) of the Act, based on our audit, we report, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) ln our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report agree with the books of account.

(d) In our opinion, the Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 the Companies (Accounts) Rules, 2014.

(e) Based on the written representations received from the directors as on March 31, 2026 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- The Company does not have any pending litigation which would impact its financial position.
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.

  (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

  (ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (,'Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf Beneficiaries; of the Ultimate and

  (iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- Based on our examination, which included test checks and according to the information and explanations given to us, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

(B) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

ln our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

For Davinder Pal Singh & Co.
Chartered Accountants
Firm Reg. No. 07601N

Sd/-

(Arun Rattan)
Partner
M. No. 508414

Place: Ludhiana
Date: 15-06-2026
UDIN: 26508414XMJDDS2539

ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements, section report to the of our Members of Happy Steels Limited of even date)

1)

A. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and Equipment,

(b) The Company has maintained proper records showing full particulars of intangible Assets.

B. The company has adopted a policy of physical verification of all the items of property, plant and equipment so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

C. Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the Financial Statements included under property, plant and equipment, are held in the name of the company as at the balance sheet date.

D. The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

E. Based on the information and explanations given to us, no proceedings have been initiated during the year or are pending against the company as at March 31 ,2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2) (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year at reasonable intervals. ln our opinion and based upon information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory have been noticed on physical verification of inventories when compared with books of account.

(b) The Company has been sanctioned working capital limits more than Rs. 5 Crore, in aggregate, during the year, from banks based on security of current assets. Based on our verification, quarterly returns or statements filed by the company with such banks agree with the books of account.

3) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not provided any guarantee or security or granted advances in loans, secured or unsecured, to companies, fiirns, limited liability partnership or any other parties during the year.

4) According to the information and explanations given to us and based on our examination of records of the company, the Company has not provided any loan, guarantee or security as specified under Sections 185 and 186 of the Act.

5) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning or sections 73 to 76 of the Act and the Rules framed thereunder.

6) Having regard to the nature of Company's business/activities, reporting under clause 3(vi) of the order is not applicable to the company.

7) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing statutory dues, including Goods and Services tax, Provident Fund, employee’s State Insurance, lncome Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities. There were no

undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employee's State lnsurance, lncome Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other applicable statutory dues as at March 31, 2026 for a period of more than six months from the date they became payable.

8) According to the information and explanations given to us and records of the company examined, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the lncome Tax Act, 1961.

9) (a) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any render during the year.

(b) According to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) Based on our overall examination of the Financial Statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term, purposes by the company.

(e) According to the information and explanations given to us, the Company has no subsidiaries, associates, or joint ventures, so the reporting under this clause is not required.

10) (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x)(a) of the Order is not applicable to the Company. However, the company has filed draft Red Herring Prospectus on February 12, 2026 with National Stock Exchange for the purpose of initial public offer.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) during the year and accordingly reporting under clause 3(x)(b) of the order is not applicable to the company.

11) (a) According to the information and explanations given to us and based on our examination of records, no fraud by the Company and no material on the Company has been noticed or reported during the year nor have we been informed of any such case by the management.

(b) According to the information and explanations given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central Government, during the year and upto the date of this report.

(c) During the course of our examination of the books and records of the company in accordance carried out with the generally accepted auditing practices in lndia, and as represented to us by the management, no whistle-blower complaints have been received during the year by the company. Accordingly, the reporting under clause 3(xi)(c) of the order is not applicable to the Company.

12) According to the information and explanation given to us, the Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) or the order is not applicable to the Company.

13) ln our opinion and according to the information and explanations given to us and based on our examination of records, the company follows section 177 and 188 of the companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

14) (a) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the reports of internal auditor for the period under audit, issued to the Company during the year and till date.

15) According to information and explanations given to us and based on our examination of the records of the company, the company has not entered non-cash transactions with directors or person connected with them. Accordingly, the reporting on compliance with the provisions of section 192 of the Act under clause 3(xv) of the order is not applicable to the company.

16) (a) Based on the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45-lA of the Reserve Bank of lndia Act, 1934 and accordingly clause 3(xvi) (a) of the order is not applicable to the company.

(b) Based on information and explanation given to us, the company has not conducted Non- Banking Financial or Housing Finance activities during the year. Accordingly, the requirement to report on clause 3(xvi) (b) of the order is not applicable to the company.

(c) Based on information and explanation given to us, the company is not a Core Investment Company (ClC) as defined in the regulations made by the Reserve Bank of lndia, and accordingly reporting under clause 3(xvi)(c) of the order ii not applicable to the Company.

(d) According to the information and explanations given to us, there is no Core lnvestment Company as a part of the Group, we have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the requirement to report on clause 3 (xvi) (d) of the Order is not applicable to the Company.

17) The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.

18) There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on clause 3 (xviii) of the Order is not applicable to the company.

19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance date' sheet We, however' state that this is not an assurance as to the future viability of the Company.

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20) (a) ln our opinion and according to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR), other than on-going projects, if any, requiring a transfer to a Fund specified in Schedule Vll to the companies Act in compliance with second proviso to sub-section (s) of section 135 of the said Act.

(b) ln our opinion and according to the information and explanations given to us, there are no on-going projects, under Corporate Social Responsibility (CSR).

21) The reporting under clause 3(xxi) of the Order is not applicable since there is no subsidiary or associate of the company.

For Davinder Pal Singh & Co.
Chartered Accountants
Firm Reg. No. 07601N

Sd/-

(Arun Rattan)
Partner
M. No. 508414

Place: Ludhiana
Date: 15-06-2026
UDIN: 26508414XMJDDS2539

"Annexure B" TO THE TNDEPENDENT AUDTTORS REPORT

(Referred to in paragraph 2A(f) under 'Report on other Legal and Regulatory Requirements' section of our report to the Members of Happy steers Limited of even date;

Report on the internal financial controls over Financial Reporting with reference to the Financial Statements under clause (i) of sub-section 3 of section 143 Companies of the Act, 2013 (,the Act,')

We have audited the internal financial controls with reference to the Financial Statements of Happy Steels Limited ("the Company") as of March 31 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to the financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over Financial Reporting issued by the institute of Chartered Accountants of lndia. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of internal Financial Controls over Financial Reporting and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the institute of Chartered Accountants of lndia. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of internal Financial Controls over Financial Reporting with reference to financial Statements

A company's internal financial control with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of

the company are being made only in accordance with authorizations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

ln our opinion, to the best of cur information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to the Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31,2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the institute of Chartered Accountants of lndia.

For Davinder Pal Singh & Co.
Chartered Accountants
Firm Reg. No. 07601N

Sd/-

(Arun Rattan)
Partner
M. No. 508414

Place: Ludhiana
Date: 15-06-2026
UDIN: 26508414XMJDDS2539

Happy Steels Limited (Formerly known as Happy Steels Private limited)
Balance Sheet as at 31st March, 2026
CIN: U35923PB1996PLC018348
(All amounts in Rs. Thousand, unless otherwise stated)

	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
I	**EQUITY AND LIABILITIES**			
	(1) Shareholder's Funds			
	(a) Share Capital	2	1,04,981.80	14,997.40
	(b) Reserves and Surplus	3	2,95,644.71	3,15,954.63
			4,00,626.51	3,30,952.03
	(2) Share application money pending allotment			
	(3) Non-Current Liabilities			
	(a) Long-term borrowings	4	1,66,047.49	1,12,659.26
	(b) Deferred Tax Liabilities (Net)	5	23,191.70	21,935.45
	(c) Long-term provisions	6	3,406.79	-
			1,92,645.98	1,34,594.71
	(4) Current Liabilities			
	(a) Short-term borrowings	7	3,05,754.77	2,29,490.41
	(b) Trade payables	8		
	(i) Total outstanding dues of micro enterprises and small enterprise		12,181.27	11,462.02
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		40,129.79	51,675.00
	(c) Other current liabilities	9	33,781.20	28,050.34
	(d) Short Term Provisions	10	11,508.89	-
			4,03,355.92	3,20,677.77
	Total		**9,96,628.41**	**7,86,224.51**
II	**ASSETS**			
	(1) Non-current assets			
	(a)Property, Plant and Equipment and Intangible Assets			
	(i) Property, Plant & Equipment	11	2,96,598.90	2,42,813.85
	(ii) Intangible Assets		20,929.32	8,511.13
	(iii) Capital Work in progress		29,431.99	897.95
	(iii) Intangible assets under development		55,122.80	25,738.37
			4,02,083.00	2,77,961.30
	c) Deferred tax assets (net)	-	-	-
	d) Long-term loans and advances	12	4,370.52	956.90
	e) Other non-current assets	13	14,442.25	11,661.25
			4,20,895.77	2,90,579.46
	(2) Current assets			
	(a) Inventories	14	3,89,794.81	3,22,869.80
	(b) Trade receivables	15	1,27,618.11	1,60,345.03
	(c) Cash and cash equivalents	16	2,256.78	2,613.14
	Cash and cash equivalents other than (c) above	17	7,913.53	1,776.92
	(d) Short-term loans and advances	18	14,890.95	2,707.41
	(e) Other Current Assets	19	33,258.46	5,332.75
			5,75,732.64	4,95,645.05
	Total		**9,96,628.41**	**7,86,224.51**
	The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements	1		

As per our report of even date attached		
For Davinder Pal Singh & Co.	**For and on behalf of the Board of Directors**	
Chartered Accountants	**Happy Steels Limited**	
Firm Reg. No. 07601N		
	Sd/-	**Sd/-**
Sd/-	**(Abhishek Garg)**	**(Deepak Garg)**
(Arun Rattan)	**Managing Director**	**Director**
Partner	**DIN: 00621845**	**DIN: 08311407**
M. No. 508414		
	Sd/-	**Sd/-**
Place : Ludhiana	**(Varun Sharma)**	**(Isha Ghai)**
Dated : 15-06-2026	**CFO**	**Company Secretary & Compliance Officer**
UDIN: 26508414XMJDDS2539	**PAN: BXLPS0977H**	**PAN: CKVPG7383P**

Happy Steels Limited (Formerly known as Happy Steels Private limited)
Statement of Profit and Loss for the year ended 31st March, 2026
CIN: U35923PB1996PLC018348
(All amounts in Rs. Thousand, unless otherwise stated)

	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
I	Revenue from operations	20	9,46,426.48	8,21,402.72
II	Other Income	21	19,304.32	3,840.44
III	**Total Income (I +II)**		**9,65,730.80**	**8,25,243.16**
IV	**Expenses:**			
	Cost of material consumed	22	5,45,162.52	4,80,588.80
	Changes in inventories of finished goods and work-in-progress	23	(75,935.31)	(25,422.30)
	Employee benefit expense	24	99,509.45	83,661.22
	Finance costs	25	26,249.14	28,608.64
	Depreciation and amortization	26	31,288.13	24,293.01
	Other expenses	27	2,46,393.31	1,99,606.20
	Total Expenses		**8,72,667.24**	**7,91,335.57**
V	Profit before tax (III - IV)		93,063.56	33,907.58
VI	Tax expense:			
	- Current tax		21,000.00	7,170.00
	- Taxes of earlier year		1,132.83	67.78
	- Deferred tax		1,256.25	1,357.62
VII	**Profit/(Loss) for the period (V-VI)**		**69,674.48**	**25,312.18**
XIII	Earning per equity share (₹ 10 each):			
	(1) Basic	28	6.64	2.41
	(2) Diluted	28	6.64	2.41
	The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements			

As per our report of even date attached		
For Davinder Pal Singh & Co.	**For and on behalf of the Board of Directors**	
Chartered Accountants	**Happy Steels Limited**	
Firm Reg. No. 07601N		
	Sd/-	**Sd/-**
Sd/-	**(Abhishek Garg)**	**(Deepak Garg)**
(Arun Rattan)	**Managing Director**	**Director**
Partner	**DIN: 00621845**	**DIN: 08311407**
M. No. 508414		
	Sd/-	**Sd/-**
Place : Ludhiana	**(Varun Sharma)**	**(Isha Ghai)**
Dated : 15-06-2026	**CFO**	**Company Secretary & Compliance Officer**
UDIN: 26508414XMJDDS2539	**PAN: BXLPS0977H**	**PAN: CKVPG7383P**

Happy Steels Limited (Formerly known as Happy Steels Private limited)		
Cash Flow Statement for the year ended 31st March, 2026		
CIN: U35923PB1996PLC018348		
(All amounts in Rs. Thousand, unless otherwise stated)		
Particulars	**As at 31st March 2026**	**As at 31st March 2025**
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	93,063.56	33,907.58
Adjustments for :		
Depreciation and amortization	31,288.13	24,293.01
Interest expense	26,249.14	28,608.64
Interest income	(625.87)	(138.40)
Gain on sale of property, plant & Equipment	943.08	(1,152.52)
Operating profit before Working Capital changes	**1,50,918.03**	**85,518.31**
Adjustments for :		
(Increase)/Decrease in inventories	(66,925.01)	(31,835.60)
(Increase)/Decrease in trade and other receivables	17,129.77	62,445.57
(Increase)/Decrease in Other Assets	(30,706.71)	2,264.36
Increase/(Decrease) in trade payables and other liabilities	(5,095.09)	4,002.94
Increase/(Decrease) in Provisions	3,406.79	(13,400.00)
Cash Generated from Operation	**68,727.77**	**1,08,995.58**
Taxes paid	(10,623.94)	(7,237.78)
NET CASH FROM/ (USED IN) OPERATING ACTIVITIES (A)	**58,103.86**	**1,01,757.80**
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(1,58,477.93)	(61,898.69)
Proceeds from sale of property, plant and equipment	2,125.00	5,591.62
Encashment of bank deposits not considered as cash and cash equivalents	-	-
NET CASH FROM/ (USED IN) INVESTING ACTIVITIES (B)	**(1,56,352.94)**	**(56,307.07)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from long term term borrowings	53,388.23	**(5,234.35)**
Proceeds/(repayment) from/of short term borrowings (net)	76,264.36	(9,552.36)
Interest paid	(25,623.27)	(28,470.24)
Dividend paid (Inculding tax)	-	-
NET CASH FROM/ (USED IN) FINANCING ACTIVITIES (C)	**1,04,029.32**	**(43,256.95)**
Net Increase/(Decrease) In cash & cash equivalents (A+B+C)	5,780.25	2,193.78
Cash & cash equivalents at beginning of year	4,390.06	2,196.28
Cash & cash equivalents at the end of year	**10,170.31**	**4,390.06**

As per our report of even date attached

For Davinder Pal Singh & Co.	**For and on behalf of the Board of Directors**	
Chartered Accountants	**Happy Steels Limited**	
Firm Reg. No. 07601N		
	Sd/-	**Sd/-**
Sd/-	**(Abhishek Garg)**	**(Deepak Garg)**
(Arun Rattan)	**Managing Director**	**Director**
Partner	**DIN: 00621845**	**DIN: 08311407**
M. No. 508414		
	Sd/-	**Sd/-**
Place : Ludhiana	**(Varun Sharma)**	**(Isha Ghai)**
Dated : 15-06-2026	**CFO**	**Company Secretary & Compliance Officer**
UDIN: 26508414XMJDDS2539	**PAN: BXLPS0977H**	**PAN: CKVPG7383P**

HAPPY STEELS LIMITED (Formerly known as Happy Steels Private limited)

Notes Forming Part of Financial Statements as on 31st March, 2026

Corporate Information

Happy Steels Limited [Formerly known as Happy Steels Private Limited] (the "Company") is an unlisted public company domiciled in India and is initially incorporated on 14th June 1996 as private limited company under the provisions of Companies Act, 1956. The company is engaged in the manufacturing and sales of different types of Automative parts. Later on the company converted into public limited company with effect from 20th March 2025 in accordance with the provisions of Companies Act, 2013 as applicable in India.

1. Significant Accounting Policies

1.1) Basis of preparation

The financial statement of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act ("the 2013 Act"), 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2) Use of Estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the balance sheet date, the reported amounts of revenues and expenses for the year and disclosure of contingent liability as at the Balance sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assupmtions are reviewed at each balance sheet date. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and future years affected.

1.3) Plant, Property & Equipment & Intangible assets

Plant, Property & Equipment

Plant, Property & Equipment except land are states at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, insurance, duties, levies, and all incidentals attributable to bringing the asset to its working condition for the intended use.

Borrowing Costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of the asset. Qualifying asset is one that take substantial period of time to get ready for intended use. Other borrowing cost are recognized as expense in period in which they are incurred.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance, all other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts are charged to statement of profit and loss in the period in which they are incurred.

Gain or loss arising from derecognition of fixed assets are measured as the difference between net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets

Intangible assets acquired seperately are measured on initial recognition at cost. Goodwill arising on acquisition of business is carried at cost as establised at the date of acquisition of business.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, which does not meet capitalisation criteria are not capitalised and expenditure is reflected in the year in which the expenditure is incurred.

1.4) Depreciation

Depreciation is provided on Straight Line method on the basis of useful lives of such assets in the manner specified in Schedule II to the Companies Act, 2013.

Intangible assets are amortized on a straight line basis over their estimated useful economic life of 3 years.

1.5) Inventories

Inventories are valued at lower of cost or net reliazable value except scrap which has been reported at net reliazable value.

The cost formula used for valuation of inventories are as follows:

i) In respect of raw material and stores and spares at First In First Out Basis.

i) In respect of work in Progress ,at cost of raw material plus coversion cost.

iii) Finished Goods are valued at lower of cost or NRV (net reliazable value).

1.6) Impairment of Assets

At each Balance Sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. amount by which the carrying amount of an asset exceeds its recoverable amount is provided for in books of accounts.

1.7) Investments:

Investments that are readily realizable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition. Provision, if any, is made to recognise a decline other than a temporary , in the value of long term investments.

1.8) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and demand deposits with an original maturity of less than three months, or less which are subject to an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and demand deposits.

1.9) Provisions and contingent liability & Contingent assets

1) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if :-

(i) the company has a present obligation as a result of past events ;

(ii) a probable outflow of resources embodying economic benefits is expected to settle the obligation: and

(iii) the amount of the obligation can be reliably estimated.

2) Contingent liability is disclosed in the case of :

i) When it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or a reliable estimate of the amount of the obligation cannot be made.

ii) possible obligation that arises from past events and existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a reliable estimate of the amount of the obligation cannot be made.

1.10) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of Goods & Services: Revenue from, sale of goods including cartage & Services is recognised in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest income: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

Other Income: Other income is recognized on accrual basis

1.11) Expense:

Expenditure is accounted on accrual basis and provision is made for all known losses and liabilities

1.12) Employees Benefits

(a) Short Term employee benefit

Short term employee benefits comprising of wages and salaries, bonus and leave pay is accounted as expenditure in the period in which employees has rendered services in exchange of these benefits.

(b) Post employment benefits

These are classified under following category:-

(i) Defined contribution plans

Provident fund and ESIC are the defined contribution schemes offered by the Company. The contribution to these schemes is charged to statement of profit and loss of the year in which contribution to such schemes become due and when services are rendered by the employees.

(ii) Defined Benefit Plans-Gratuity:

It is accounted as expenditure in the period in which the gratuity is paid to employee.

1.13) Taxation

Tax expense comprises of current tax & deferred tax

Current Tax is the aggregate amount of income tax determined to be payable in respect of taxable income for period in accordance with the provisions of the Income Tax Act, 1961

Deferred Tax is accounted for in accordance with Accounting standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.Deferred tax is the tax effect of timing differences between taxable income and accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax law enacted or subsequently enacted as at the reporting date.

1.14) Foreign currency transactions

(i) Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
(ii) Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.
(iii) Exchange difference : Exchange differences arising on the settlement of monetary items or on reporting Company monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

1.15) Cash flow statement

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the company are segregated.

1.16) Operating cycle

Based on nature of products/activities of the company and the normal time between acquisition of assets and their realization in cash and cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non- current.

1.17) Earning per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share

2.

Share Capital		(All amounts in Rs. Thousand, unless otherwise stated)		
Particulars			**As at 31st March 2026**	**As at 31st March 2025**
Equity Share Capital				
a) Authorised Capital:				
1,60,00,000* Equity shares of Rs.10/- each			1,60,000.00	15,000.00
(Previous Year: 15,00,000 Equity shares of Rs.10/- each)				
Total (a)			**1,60,000.00**	**15,000.00**

* "During the year, pursuant to the resolution passed at the Extraordinary General Meeting held on 12 December 2025, the authorised share capital of the Company was increased from 15,00,000 equity shares to 1,60,00,000 equity shares of ₹ 10 each."

b) Issued, subscribed and fully paid up capital:				
1,04,98,180* Equity shares of Rs 10/- each			1,04,981.80	14,997.40
(Previous Year: 14,99,740 Equity shares of Rs.10/- each)				
Total (b)			**1,04,981.80**	**14,997.40**

*On 29.12.2025, Company issued 8,998,440 bonus shares of Rs 10 each in the proportion of 6 Bonus equity share for every 1 fully paid up Equity Share held by the existing shareholder of the company.

c) Reconcilliation of the number of shares at the beginning and at the end of the reporting period

				(No of shares)
Equity Shares			**As at 31st March 2026**	**As at 31st March 2025**
At the beginning of the reporting period			14,99,740	14,99,740
Add: Bonus Issue			89,98,440	-
Outstanding at the end of the reporting period			**1,04,98,180**	**14,99,740**

d) Par value per share

Par value per equity share is Rs. 10/- each

e) Details of shares held by holding company /ultimate holding company their subsidiaries and associates

There is no holding or ultimate holding company of the company.

f) Detail of shares held by shareholders holding more than 5% of shares of company

Class of shares/name of shareholder	**As at 31st March 2026**		**As at 31st March 2025**	
Equity Shares holder	**No of shares**	**Percentage of share holding**	**No of shares**	**Percentage of share holding**
Parveen Kumar Garg	80,97,222	77.13%	11,56,750	0.77
Parveen Garg HUF	6,49,250	6.18%	92,750	0.06

g) Shareholding of promoters and promoters group

	As at 31st March 2026		**As at 31st March 2025**	
Promoters Name	**Number of Shares**	**% of total shares**	**Number of Shares**	**% of total shares**
Promoters				
Parveen Kumar Garg	80,97,222	77.13%	11,56,746	0.77
Parveen Garg HUF	6,49,250	6.18%	92,750	0.06
Abhishek Garg	4,85,975	4.63%	69,425	0.05
Deepak Garg	4,86,675	4.64%	69,525	0.05
Promoters group				
Bindu Garg	4,90,700	4.67%	70,100	0.05
Charushree Garg	1,09,200	1.04%	15,600	0.01
Riddhima Garg	1,08,500	1.03%	15,500	0.01

h) Rights, preferences and restrictions attached to equity shares

The company presently has one class of equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of directors (if any) is subject to declaration by the share-holders in the annual general meeting and entitlement to dividend to an equity shareholder shall arise after such approval except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

i) Details of shares held by holding company /ultimate holding company their subsidiaries and associates

There is no holding or ultimate holding company of the company.

j) No shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

i) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared no shares have been allotted pursuant to contract(s) without payment being received in cash and no shares have been bought back. However, the board has passed a resloution on 29 December 2025 for issuing bonus shares in proportion of 6 shares for every 1 shares held as on date.

k)Terms of securities convertible into equity/preference shares.

There are no securities convertible into equity/preference shares.

l) No calls were unpaid from any of the shareholder in any reporting period.

m) No shares were forfeited in any reporting period.

3 Reserves and surplus

Particulars	As at 31st March 2026	As at 31st March 2025
Surplus i.e. balance in statement of profit and loss (Retained earnings)		
Balance as per the last financial statements	3,15,954.63	2,90,642.46
Less: Utilised for Bonus Issue	(89,984.40)	-
Add : Profit/(loss) for the year transferred from statement of profit and loss	69,674.48	25,312.18
Closing Balance	**2,95,644.71**	**3,15,954.63**

4	**Long-term borrowings schedule**		**(All amounts in Rs. Thousand, unless otherwise stated)**	
	Particulars		**As at 31st March 2026**	**As at 31st March 2025**
	i) Secured			
a)	Term loans (secured)			
	i) From banks		1,11,184.82	43,789.21
	ii) Less :Current maturities of long term debt		24,714.29	9,531.23
	Total Long term loans from banks (i-ii)		**86,470.54**	**34,257.98**
	ii) Unsecured			
b)	Loans and advances from related parties (unsecured)			
	i) From Directors		62,627.78	61,452.11
	ii) From Shareholders		16,949.17	16,949.17
	Total (b) - Loans and advances from related parties		**79,576.95**	**78,401.28**
	Total long-term borrowings (a+b)		**1,66,047.49**	**1,12,659.26**

a) Details of security for term loans

i) Term loan of Rs. 8.50 crore in year ended 2026; from banks are secured by way of first pari passu charge of equitable mortgage created on company's immovable property situated at Kanganwal Road, Vill. Jaspal Bhangar and at C-224, Phase - 8, Focal Point, together with all building and structures thereon and all the fixed assets of the company and second pari passu charge by way of hypothecation of current assets of the company.

ii) Term loan of Rs. 2.64 crores from Small Industries Development Bank of India is secured by way of hypothecation of plant and machinery in favour of lender.

Iii) Term loan of Rs. 15.84 lacs from Union Bank of India is secured by way of hypothecation of vehicle in favour of lender.

iv) Personal guarantee of the directors has been provided for all the term loans.

b) Terms of repayment of term loans

i) HDFC Term loan of Rs. 2.40 crore is to be repaid in 61 monthly installments of Rs. 5.25 lacs each commenced from Jan, 2025.
ii) HDFC Term loan of Rs. 53.33 lacs is to be repaid in 59 monthly installments of Rs. 1.10 lacs each commenced from Dec, 2024.
iii) HDFC Term loan of Rs. 2 crore is to be repaid in 81 monthly installments of Rs. 3.23 lacs each commenced from Feb, 2024.
iv) HDFC Term loan of Rs. 9 lacs is to be repaid in 37 monthly installments of Rs. 27.94 thousand each commenced from July, 2023.
v) HDFC Term loan of Rs. 28.83 lacs is to be repaid in 39 monthly installments of Rs. 87.70 thousand each commenced from July, 2023.
vi) HDFC Term loan of Rs. 1.94 crore is to be repaid in 91 monthly installments of Rs. 3.23 lacs each commenced from Jan, 2022.
vii) HDFC Term loan of Rs. 23.13 lacs is to be repaid in 73 monthly installments of Rs. 43.65 thousand each commenced from Dec, 2021.
viii) SIDBI Term loan of Rs. 2.65 crore is to be repaid in 61 monthly installments of Rs. 4.64 lacs each commenced from Aug, 2025.
ix) UBI Term loan of Rs. 16.79 lacs is to be repaid in 60 monthly installments of Rs. 34.04 thousand each commenced from Dec, 2025.
x) HDFC Term loan of Rs. 2.46 crore is to be repaid in 60 monthly installments of Rs. 5.09 lacs each commenced from Nov, 2025.
xi) HDFC Term loan of Rs. 78.84 lacs is to be repaid in 60 monthly installments of Rs. 1.60 lacs each commenced from Nov, 2025.

c) No default in repayment of principal and interest thereon has occurred during any of the reporting periods.

5	**Deferred tax liabilities schedule**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Deferred tax liabilities (Refer Note 32)		
	Impact of difference between tax depreciation and depreciation /amortization charged to the financial statements	23,191.70	21,935.45
	Deferred tax liability (Net)	23,191.70	21,935.45

6	**Long term provisions**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Provision for gratuity	3,406.79	-
	Total	**3,406.79**	**-**

7	**Short-term borrowings schedule**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
a)	Loans repayable on demand		
	- From banks (secured)	2,81,040.48	2,19,959.17
	- From banks (unsecured)	-	-
b)	Current Maturities of Long Term Debt*	24,714.29	9,531.23
	Total short-term borrowings (a+b)	**3,05,754.77**	**2,29,490.41**

i) Loan repayble on demand from HDFC Bank is secured by way of first pari passu charge of equitable mortgage created on company's immovable property situated at Kanganwal Road, Vill. Jaspal Bhangar and at C-224, Phase - 8, Focal Point, together with all building and structures thereon and all the fixed assets of the company and second pari passu charge by way of hypothecation of current assets of the company.

ii) Personal guarantee of the directors has been provided for loan repayable on demand.

9	**Other current liabilities**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	- Advance from Customers	7,561.88	4,009.30
	- Advance received against sale of land	7,500.00	-
	- Interest accrued and due on borrowings	568.82	278.81
	- Statutory Liabilities(1)	2,408.70	4,464.03
	- Other Payables(2)	6,734.30	12,015.00
	- Due to employees(3)	8,768.97	6,783.20
	Total Other current liabilities*	**33,781.20**	**28,050.34**

(1) Statutory liabilities includes contribution to provident fund and ESIC, tax deducted at source, goods and service tax payable etc.
(2) Other payables include electricity expenses, director's salary payable and payable for miscellaneous expenses.
(3) Due to employees include salary & Wages, Bonus, Leave with wages.

10	**Short Term Provisions**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Provision for Taxation (net of advance tax)	11,508.89	-
	Total Short Term Provisions	**11,508.89**	**-**

12	**Long-term loans and advances**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Capital advances	4,370.52	956.90
	Total Long-term loans and advances	**4,370.52**	**956.90**

13	Other Non-current assets		
	Particulars	As at 31st March 2026	As at 31st March 2025
	Security deposits	11,661.25	11,661.25
	IPO related expenses	2,781.00	-
	Total Other Non-current assets	14,442.25	11,661.25

14	Inventories		
	Particulars	As at 31st March 2026	As at 31st March 2025
	- Raw Material	6,737.81	15,748.10
	- Work In Progress	1,83,789.05	1,62,671.40
	- Finished Goods	1,75,340.72	1,23,310.30
	- Stores & Spares	23,927.24	21,140.00
	Total Inventories	3,89,794.81	3,22,869.80

16	Cash & Cash Equivalents		
	Particulars	As at 31st March 2026	As at 31st March 2025
	Cash in hand	1,869.90	2,539.15
	Balances with banks		
	- In current accounts	386.88	73.99
	- Deposits with maturity of less than three months	-	-
	Total Cash & Cash Equivalents	2,256.78	2,613.14

17	Other bank balances		
	Particulars	As at 31st March 2026	As at 31st March 2025
	Earmarked balances with banks :		
	- Deposits with maturity more than three months but less than twelve months	7,913.53	1,776.92
	(For bank guarantees maturing within one year)		
	Total Other bank balances	7,913.53	1,776.92

18	Short-term loans and advances		
	Particulars	As at 31st March 2026	As at 31st March 2025
	Unsecured, considered good		
	Others:		
	Advances to supplier's	14,890.95	2,707.41
	Security deposits	-	-
	Total Short-term loans and advances	14,890.95	2,707.41

19	Other Current Assets		
	Particulars	As at 31st March 2026	As at 31st March 2025
	Prepaid expenses	956.78	995.60
	Other recoverables*	32,301.69	4,007.15
	Excess Income Tax (net of provision for tax)	-	330.00
	Total Other Current Assets	33,258.46	5,332.75

*Other recoverables includes export incentives receivable, export GST recoverable, tax deducted at source and others.

8	Trade payables	(All amounts in Rs. Thousand, unless otherwise stated)	
	Particulars	As at 31st March 2026	As at 31st March 2025
	- Total outstanding dues of micro enterprises and small enterprise (Refer note 31)	12,181.27	11,462.02
	- Total outstanding dues of creditors other than micro enterprises and small enterprise	40,129.79	51,675.00
	Includes balances with related parties (refer Note 37)		

Trade Payables ageing schedule for the year ended as on 31st March, 2026

Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	12,181.27	-	-	-	-	12,181.27
(ii) Others	23,530.42	16,599.38	-	-	-	40,129.79
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**35,711.69**	**16,599.38**	**-**	**-**	**-**	**52,311.06**

Trade Payables ageing schedule for the year ended as on 31st March, 2025

Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	11,462.02	-	-	-	-	11,462.02
(ii) Others	23,290.74	28,384.26	-	-	-	51,675.00
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**34,752.76**	**28,384.26**	**-**	**-**	**-**	**63,137.02**

11 **a) Property, Plant & Equipment schedule as at 31st March, 2026** (All amounts in Rs. Thousand, unless otherwise stated)

	GROSS BLOCK					ACCUMULATED DEPRECIATION				NET BLOCK	
Particulars	Balance as at 1st April, 2025	Additions	Disposal	Other adjustments	Balance as at 31st March, 2026	Balance as at 1st April, 2025	Depreciation/ amortisation expenses during the year	Eliminated on disposal of assets	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31 March, 2025
a) Tangible assets											
Freehold Land	2,109.58	-	-	-	2,109.58	-	-	-	-	2,109.57	2,109.58
Factory Building	87,259.52	672.58	-	-	87,932.10	20,711.62	2,991.63	-	23,703.25	64,228.85	66,547.91
Plant and Machinery	3,55,729.54	76,425.26	10,357.90	-	4,21,796.91	1,99,331.49	17,758.99	7,289.82	2,09,800.65	2,11,996.25	1,56,398.05
Office equipments	12,016.87	1,726.40	-	-	13,743.27	6,394.20	1,021.64	-	7,415.84	6,327.43	5,622.67
Computer	5,383.52	840.06	-	-	6,223.58	4,866.42	357.50	-	5,223.92	999.66	517.10
Furniture and fixtures	7,064.50	133.40	-	-	7,197.90	3,942.06	599.92	-	4,541.97	2,655.93	3,122.45
Vehicles	28,126.47	1,842.35	-	-	29,968.82	19,630.40	2,057.22	-	21,687.62	8,281.20	8,496.07
Total (a)	4,97,690.00	81,640.06	10,357.90	-	5,68,972.16	2,54,876.19	24,786.90	7,289.82	2,72,373.26	2,96,598.90	2,42,813.81
b) Intangible assets	10,236.11	18,919.41	-	-	29,155.52	1,724.97	6,501.23	-	8,226.20	20,929.32	8,511.13
Current year (a + b)	5,07,926.11	1,00,559.47	10,357.90	-	5,98,127.68	2,56,601.16	31,288.13	7,289.82	2,80,599.46	3,17,528.22	2,51,324.95

a) Property, Plant & Equipment schedule as at 31st March 2025

	GROSS BLOCK					ACCUMULATED DEPRECIATION				NET BLOCK	
Particulars	Balance as at 1st April, 2024	Additions	Disposal	Other adjustments	Balance as at 31st March, 2025	Balance as at 1st April, 2024	Depreciation/ amortisation expenses during the year	Eliminated on disposal of assets	Balance as at 31st March, 2025	Balance as at 31st March, 2025	Balance as at 31st March, 2024
a) Tangible assets											
Freehold Land	2,109.58	-	-	-	2,109.58	-	-	-	-	2,109.57	2,109.58
Factory Building	74,320.79	12,938.73	-	-	87,259.52	18,027.46	2,684.16	-	20,711.62	66,547.91	56,293.33
Plant and Machinery	3,51,200.71	11,477.51	6,948.67	-	3,55,729.55	1,86,513.40	15,327.65	2,509.57	1,99,331.49	1,56,398.06	1,64,687.31
Office equipments	10,233.36	1,783.52	-	-	12,016.88	5,323.27	1,070.91	-	6,394.18	5,622.69	4,910.09
Computer	4,920.77	462.75	-	-	5,383.52	4,355.38	511.04	-	4,866.42	517.10	565.39
Furniture and fixtures	6,531.20	533.30	-	-	7,064.50	3,364.71	577.34	-	3,942.06	3,122.45	3,166.49
Vehicles	28,126.47	-	-	-	28,126.47	17,233.47	2,396.93	-	19,630.40	8,496.07	10,893.00
Total (a)	4,77,442.87	27,195.81	6,948.67	-	4,97,690.00	2,34,817.69	22,568.04	2,509.57	2,54,876.16	2,42,813.85	2,42,625.18
b) Intangible assets	-	10,236.11	-	-	10,236.11	-	1,724.97	-	1,724.97	8,511.13	-
Current year (a + b)	4,77,442.87	37,431.92	6,948.67	-	5,07,926.11	2,34,817.69	24,293.01	2,509.57	2,56,601.14	2,51,324.99	2,42,625.18

15	Trade receivables	(All amounts in Rs. Thousand, unless otherwise stated)	
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Secured, Considered Good	-	-
	Unsecured, Considered Good	1,27,618.11	1,60,345.03
	Doubtful	1,768.05	1,768.05
	Total Trade Receivables (Gross)*	1,29,386.16	1,62,113.08
	Less: Allowance for credit losses	(1,768.05)	(1,768.05)
	Total Trade Receivables (Net)	1,27,618.11	1,60,345.03

* Includes balances with related parties (refer Note 37)

Trade receivables ageing schedule for the year ended as on 31st March, 2026

Particulars	Not Due	Outstanding for following periods from due date of Payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-considered good	92,952.39	33,782.61	883.11	-	-	-	1,27,618.11
ii) Undisputed Trade Receivables-considered doubtfi	-	-	-	-	-	1,768.05	1,768.05
iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
Total Trade Receivables (Gross)	92,952.39	33,782.61	883.11	-	-	1,768.05	1,29,386.16
Less: Allowance for credit losses	-	-	-	-	-	(1,768.05)	(1,768.05)
Total Trade Receivables (Net)	**92,952.39**	**33,782.61**	**883.11**	**-**	**-**	**-**	**1,27,618.11**

Trade receivables ageing schedule for the year ended as on 31st March, 2025

Particulars	Not Due	Outstanding for following periods from due date of Payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-considered good	1,49,821.91	7,242.44	3,280.68	-	-	-	1,60,345.03
ii) Undisputed Trade Receivables-considered doubtfi	-	-	-	-	-	1,768.05	1,768.05
iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
Total Trade Receivables (Gross)	1,49,821.91	7,242.44	3,280.68	-	-	1,768.05	1,62,113.08
Less: Allowance for credit losses	-	-	-	-	-	(1,768.05)	(1,768.05)
Total Trade Receivables (Net)	**1,49,821.91**	**7,242.44**	**3,280.68**	**-**	**-**	**-**	**1,60,345.03**

20	Revenue from operations	(All amounts in Rs. Thousand, unless otherwise stated)	
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Sale of products: Domestic	7,70,788.61	7,38,469.92
	Sale of products: Export	1,75,637.88	82,932.80
	Total Revenue from operations	**9,46,426.48**	**8,21,402.72**

21	Other Income		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Excess provision written back	-	-
	Interest income	625.87	138.40
	Export Incentives	4,379.45	1,838.37
	Foreign exchange gain/loss	2,945.08	711.15
	Other miscellaneous income*	11,353.93	-
	Profit on sale of Property, Plant & Equipment	-	1,152.52
	Total other income	**19,304.32**	**3,840.44**

* During the year, the company received maturity proceeds amounting to Rs 1.05 cr. from a keymen insurance policy.

22	Cost of material consumed		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Raw material consumed	5,45,162.52	4,80,588.80
		5,45,162.52	**4,80,588.80**

23	Changes in inventories of finished goods and work-in-progress		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	(a)Opening Stock		
	Finished Goods	1,23,310.30	1,21,932.40
	Work in progress	1,62,671.40	1,39,370.90
	Stores & Spares	21,140.00	20,396.10
	Total Opening Stock (a)	3,07,121.70	2,81,699.40
	(b)Closing Stock		
	Finished Goods	1,75,340.72	1,23,310.30
	Work in progress	1,83,789.05	1,62,671.40
	Stores & Spares	23,927.24	21,140.00
	Total closing Stock (b)	3,83,057.01	3,07,121.70
	Total Changes in inventories of finished goods and work-in-progress	**(75,935.31)**	**(25,422.30)**

24	Employee benefit expenses		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Salaries and wages	75,509.21	61,645.19
	Contribution to provident and other funds	8,789.09	7,341.65
	Staff welfare expenses	2,611.16	1,485.19
	Director's remuneration	12,600.00	13,189.19
	Total Employee benefit expenses	**99,509.45**	**83,661.22**

25	**Financial costs**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Interest expense on :		
	- Banks borrowings	5,841.33	3,943.44
	- Others (WCDL)	19,814.45	22,916.40
	Other borrowing cost	593.35	1,748.80
	Total Financial costs	**26,249.14**	**28,608.64**

26	**Depreciation and amortization**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Depreciation on Property, Plant & Equipment	24,786.90	22,568.04
	Amortisation of Intangible assets	6,501.23	1,724.97
	Total Depreciation and amortization expense	**31,288.13**	**24,293.01**

27	**Other expenses**		
	Particulars	**As at 31st March 2026**	**As at 31st March 2025**
	Consumption of stores & spares	31,784.57	24,030.70
	Job-work expenses	47,197.03	39,817.49
	Power and Fuel	90,510.15	75,196.13
	Repairs & Maintenance		
	- Building	2,494.36	3,028.49
	- Machinery	7,251.76	7,958.11
	- Others	4,247.83	3,749.52
	Provision for doubtful debts	-	1,768.05
	Bad Debts Written off	-	4,318.74
	Insurance	1,559.34	1,518.82
	Freight	16,936.78	12,812.57
	Forwarding & clearing charges	3,907.92	1,920.79
	Sales commission	6,426.79	3,663.16
	Travelling Expenses:		
	- Directors	2,960.75	525.83
	- Others	488.96	1,813.33
	Packing Expenes	19,402.81	10,859.08
	General Expenses	2,285.39	2,030.57
	Annual maintenance charges	898.97	928.01
	CSR Expense	-	500.00
	Exhibition Expenses	-	47.95
	Legal & Professional Charges	3,299.55	1,678.36
	Loss on sale of Property, Plant & Equipment	943.08	-
	Software Charges	288.75	123.34
	Printing & Stationery	601.44	476.07
	Audit fees	100.00	50.00
	Other miscellaneous expenses	2,807.07	791.08
	Total Other expenses	**2,46,393.31**	**1,99,606.20**

28 Earnings Per Share (EPS) **(All amounts in Rs. Thousand, unless otherwise stated)**

The calculation of earnings per share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Accounting Standard (AS) 20 “Earning Per Share”

A Statement on calculation of basic and diluted EPS is as under:

Particulars	As at 31st March 2026	As at 31st March 2025
Net Profit attributable to equity shareholders (A) (Rs.)	69,674.48	25,312.18
Weighted average number of basic equity shares (B) *	1,04,98,180	14,99,740
Basic earning per share (A)/(B) (Rs.)	6.64	2.41
Diluted earning per share (A)/(B) (Rs.)	6.64	2.41
Face value per equity share (Rs.)	10	10

Pursuant to Board Resolution dated December 29, 2025, Company has allotted 89,98,440 equity shares of face value of Rs. 10 each in the proportion of 6 Bonus Equity Share for every 1 fully paid up Equity Share held by the existing equity shareholders. Further, the weighted average number of equity shares as at 31st March 2025 has been adjusted to give effect to Bonus Issue for the purpose of computation of Earnings Per Share . Accordingly, the weighted average number of equity shares has been calculated as if such bonus shares were outstanding from the beginning of the period.

29 Contingent liabilities and commitments (to the extent not provided as no cash flow is expected)

	Particulars	As at 31st March 2026	As at 31st March 2025
a)	Claims against the company not acknowledged as debts	1,939.88	1,939.88
b)	Guarantees:	NIL	NIL
c)	Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	40,294.15	13,604.13

30 In accordance with the Accounting Standards (AS) 28 on “Impairment of Assets” the company has assessed as on balance sheet date, whether there are any indications (listed on paragraphs 8 to 10 of the standard) with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal, estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

31 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	Particulars	As at 31st March 2026	As at 31st March 2025
a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	12,181.27	11,462.02
b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above stated information has been determined on the basis of data available with the management. This has been relied upon by the auditors.

32 The detail of deferred tax liabilities and assets as per Accounting Standard – AS 22 on “Accounting for Taxes on Income” as at the end of each reporting period is as under:

Nature of Timing Difference	Deferred Tax Liability (Assets) as on 31.03.2025	Movement during the year	Deferred Tax Liability (Assets) as on 31.03.2026
Deferred Tax Liability			
(On account of difference between depreciation as per Companies Act,2013 and Income Tax Act, 1956)	21,935.45	1,256.25	23,191.70
Deferred Tax Assets	-	-	-
Deferred Tax Liability (Net)	21,935.45	1,256.25	23,191.70

33	a) Capital Work in Progress (CWIP)/ Intangible asset under development aging schedule as at 31st March, 2026				
	Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**
a)	Capital projects in progress	28,534.04	897.95	-	-
b)	Intangible asset under development	40,936.62	14,186.18	-	-

	b) Capital Work in Progress (CWIP)/ Intangible asset under development aging schedule as at 31st March, 2025				
	Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**
a)	Capital projects in progress	897.95	-	-	-
b)	Intangible asset under development	25,738.37	-	-	-

No project in capital work-in-progress as on 31st March 2024 & 31st March 2025 has become overdue nor its cost has exceeded compared to its original plan.

34 Auditor's Remuneration

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory Audit Fees	75.00	35.00
Tax Audit Fee	25.00	15.00
Total	**100.00**	**50.00**

35 Transactions in Foreign currency

Particulars	As at 31st March 2026	As at 31st March 2025
Foreign currency earnings		
a) Export of goods	1,75,637.88	82,932.80
Foreign currency expenditure		
a) Sales commission	3,820.24	2,426.72

36 Corporate Social Responsibility **(All amounts in Rs. Thousand, unless otherwise stated)**

The company was required to spent at least 2% of its average net profits of the immediately preceding three financial years on CSR activities as envisaged in Schedule VII of Section 135 of Companies Act, 2013. The Company gas reported Average Net Profit of Rs 2,32,29,874/- as computed under Section 198 of the Companies Act, 2013 for the financial years 20201-22, 2022-23 and 2023-24 and two percentage of it amounting to Rs 4,64,597/- was required to be spent for the FY 2024-25, the details of the same are given as below

Particulars	As at 31st March 2026	As at 31st March 2025
Amount required to spent by the company during the year	-	464.60
Amount of expenditure incurred	-	500.00
Shortfall at the end of the year	-	-
Total of the previous years shortfall	-	-
Reason for shortfall	-	-
Nature of CSR activities	NA	Amount paid to Global Social Welfare Organisation *
Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
Provision is made with respect to a liability incurred by entering into a contractual obligation	-	-
Excess amount spent as per Section 135(5)	-	35.40
Carry Forward	35.40	35.40

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) are not applicable to the Company for the financial year 2025-26. During the immediately preceding financial year 2024-25, the Company's net worth was Rs. 33.88 Crores, turnover was Rs. 82.14 Crores and Profit Before Tax (PBT) was Rs. 3.20 Crores, which were below the thresholds prescribed under Section 135 of the Act, namely net worth of Rs. 500 Crores, turnover of Rs. 1,000 Crores or net profit of Rs. 5 Crores. Accordingly, the Company was not required to comply with the CSR provisions during FY 2025-26.

* Amount utilized by Global Social Welfare Organisation "eradicating hunger, poverty and malnutrition promoting healthcare including preventing healthcare in Delhi-NCR.

37 Related Party Disclosure: The disclosure of the relationship and the transactions with the related party as required by Accounting standard (AS)-18 "Related Party Disclosures" is as under

A Related Parties and their relationship

Key Management Personnel [Para 3(d) of AS-18]:

	Name	Category
1	Abhishek Garg	Managing Director
2	Parveen Kumar Garg	Whole Time Director
3	Deepak Garg	Whole Time Director
4	Isha Ghai	Company Secretary & Compliance Officer
5	Harshit Chabra	Chief Financial Officer (upto 17th March, 2025)
6	Varun Sharma	Chief Financial Officer (Since 1st April, 2025)

B Enterprises/Personnel under Significant Influence of Key Management Personnel and their Relatives [Para 3(e) of AS-18]:

1	Sanjeev Garg	Brother of Key Management Personnel
2	Neeraj Garg	Sister-in-law of Key Management Personnel
3	Bindu Garg	Wife of Key Management Personnel
4	Vikas Giya	Non Executive Director
5	Shashi Batta	Independent Director
6	Surinder Kumar	Independent Director
7	Parveen Garg HUF	Director is Karta
8	Happy Axle & Gear Manufacturing Private Limited	Common director(s) in entity
9	Happy Autocomp Private Limited	Common director(s) in entity
10	Northstar Autocomp Private Limited*	Relative of director is director
11	Happy Forgings Limited	Relative of director is director

*Parveen Kumar Garg is director in Northstar Autocomp Private Limited upto March 2025.

Transactions during the period **(All amounts in Rs. Thousand, unless otherwise stated)**

Related Party	Nature of Transaction	As at 31st March 2026	As at 31st March 2025
Parveen Kumar Garg	Remuneration	4,200.00	4,200.00
Abhishek Garg	Remuneration	4,200.00	4,200.00
Deepak Garg	Remuneration	4,200.00	4,200.00
Neeraj Garg	Remuneration	-	64.84
Sanjeev Garg	Remuneration	-	524.36
Happy Axle & Gear Manufacturing Private Limited	Purchase of goods	80,651.78	2,08,557.59
	Sale of goods	67,641.54	23,723.73
Happy Autocomp Private Limited	Purchase of goods	652.34	14,832.58
	Sale of goods	-	10,075.62
Northstar Autocomp Private Limited	Purchase of goods	8,467.10	60,730.15
	Sale of goods	1,292.31	922.66
	Advance received against sale of land	7,500.00	-
Happy Forgings Limited	Purchase of goods	1,117.04	564.93
	Sale of goods	505.32	2,813.94
Vikas Giya	Director Sitting Fee	100.00	-
Shashi Batta	Director Sitting Fee	10.00	-
Surinder Kumar	Director Sitting Fee	10.00	-
Isha Ghai	Remuneration	606.38	126.47
Harshit Chabra	Remuneration	-	81.46
Varun Sharma	Remuneration	581.65	-

Outstanding balances at the end of the period	As at 31st March 2026	As at 31st March 2025
Happy Axle & Gear Manufacturing Private Limited	31,788.81	13,863.62
Happy Autocomp Private Limited	-	12,323.87
Northstar Autocomp Private Limited	(439.16)	811.30
Happy Forgings Limited	(738.63)	3,417.12

Remuneration payable at the end of the period	As at 31st March 2026	As at 31st March 2025
Parveen Kumar Garg	178.00	1,440.45
Abhishek Garg	188.00	1,876.96
Deepak Garg	188.00	2,352.95
Neeraj Garg	57.03	57.03
Sanjeev Garg	461.37	461.37
Isha Ghai	31.38	35.00
Harshit Chabra	-	1.46
Varun Sharma	14.62	-

Loan transactions during the period

Particular	Balance at the beginning	Loan taken	Loan repaid	Balance at the end
	As at 31st March 2026			
Abhishek Garg	11,895.85	37,495.05	32,391.70	16,999.20
Deepak Garg	5,363.58	24,705.38	21,725.04	8,343.92
Parveen Kumar Garg	44,192.68	1,08,927.46	1,15,835.47	37,284.66
Parveen Garg HUF	9,652.84	-	-	9,652.84
Bindu Garg	7,296.33	-	-	7,296.33
	As at 31st March 2025			
Abhishek Garg	20,471.06	24,769.08	33,344.28	11,895.85
Deepak Garg	11,488.42	21,165.63	27,290.46	5,363.58
Parveen Kumar Garg	30,859.98	1,06,376.50	93,043.80	44,192.68
Parveen Garg HUF	9,652.84	-	-	9,652.84
Bindu Garg	4,846.33	2,450.00	-	7,296.33

38 Details of Significant Changes in Key Financial Ratio

S. No.	Ratios	Numerator	Denominator	As at 31st March 2026	As at 31st March 2025	Variation	Explanation for any change in the ratio by more than 25% as compared to the preceding year
1	Current Ratio (Times)	Current Assets	Current Liabilities	1.43	1.55	-7.65%	No explanation required
2	Debt-Equity Ratio (Times)	Total Borrowing	Shareholder Fund	0.48	0.42	13.51%	No explanation required
3	Debt Service Coverage Ratio (Times)	Earning available for Debt Service	Annual Debt Service	13.28	4.57	1.90	Due to rise in profits and lower debt cost as compared to previous year.
4	Return on Equity Ratio (%)	Profit after Tax	Average Shareholder's Equity	19.05%	7.65%	149.05%	Due to rise in profits as compared to previous year.
5	Inventory Turnover Ratio (Days)	Cost of Good Sold	Average Inventory	204	189	8.00%	No explanation required
6	Trade Receivables Turnover Ratio (Days)	Sale of Products	Average Trade Receivables	56	85	-34.48%	Due to better collection efficiency and stricter credit control
7	Trade Payables Turnover Ratio (Days)	Credit Purchases	Average Trade Payables	39	43	-9.17%	No explanation required
8	Net Capital Turnover Ratio (Days)	Net Sales	Working Capital	66	78	-14.50%	No explanation required
9	Net Profit Ratio (%)	Profit after Tax	Revenue from Operations	7.21%	3.07%	135.22%	Due to rise in profits as compared to previous year.
10	Return on Capital Employed Ratio (%)	Earning before Interest & Tax	Capital Employed	20.49	13.41	52.80%	Due to rise in profits as compared to previous year.
11	Return on Investment	Income generated from Invested Funds	Time Weighted Average Invested Funds in Investments	Not Applicable	Not Applicable		

39	**Other Statutory Information**
1	The Company neither have any Benami property, nor any proceeding has been initiated or pending against the Company for holding any Benami property.
2	The Company does not have any transactions with companies struck off.
3	The Company does not have any charges or satisfaction which is yet to be registered with Registrar Of Companies (ROC) beyond the statutory period.
4	The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
5	The Company has not advanced or loaned or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a)	directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b)	provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
6	The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a)	directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
b)	provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
7	The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
8	There is no Immovable Properties Title deeds of those are not held in the name of the Company.
9	No revaluation of Property, Plant & Equipment & Intangible assets has been carried out during the year.
10	The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are :
a)	repayable on demand; or
b)	without specifying any terms or period of repayment.
11	The company has not defaulted on loan from any bank or financial Institution or other lender.
12	Compliance with approved Scheme(s) on the basis of security of current assets - Not Applicable
13	The company has borrowings from banks, secured by hypothecation of inventories and by a charge on book debts and other assets of the company, and quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts without any material discrepancies.
14	The company is not declared wilful defaulter by any bank or financial institution or other lender.
15	The company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.
16	The company has used the borrowings from bank for specific purpose for which it was taken at the balance sheet date.

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