

HAPPY FORGINGS LIMITED

February 09, 2024

To

BSE Limited 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 Scrip Code: 544057	National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No. C/1, G block, Bandra-Kurla Complex, Bandra (E), Mumbai 400051. Symbol: HAPPYFORGE
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Sub: Unaudited Financial Results & Limited Review Report for the Nine Months/Quarter ended 31.12.2023

Dear Sir/Ma'am,

We hereby inform you that the Board of Directors of the Company in its meeting held on February 09, 2024, have considered, and approved the following matters:

1. Unaudited Financial Results for the quarter and nine months ended December 31, 2023.
2. Auditors Limited Review Report on the Results for the quarter and nine months ended December 31, 2023.

The above-mentioned results are enclosed herewith. Further, In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the trading window will re-open after 48 hours of announcement of the said results.

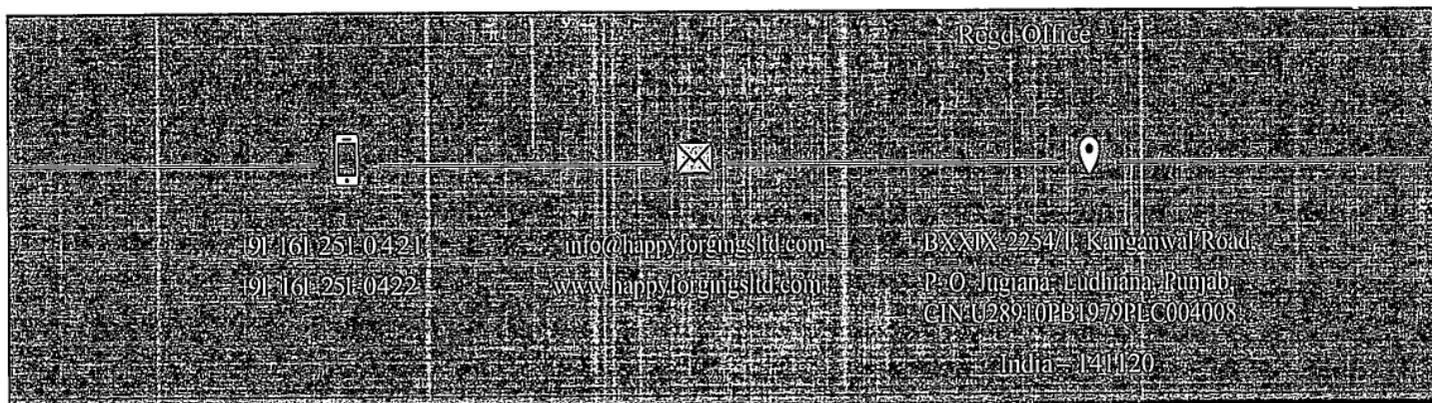
The meeting commenced at 03:15 p.m. and concluded at 05:50 p.m.

Kindly take the above information on record.

Thanking you,

FOR HAPPY FORGINGS LIMITED

Bindu Garg
BINDU GARG
COMPANY SECRETARY &
COMPLIANCE OFFICER
M.NO.- F6997



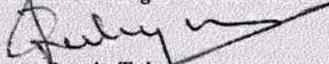
Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**Review Report to
The Board of Directors
Happy Forgings Limited**

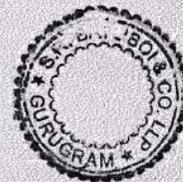
1. We have reviewed the accompanying statement of unaudited financial results of Happy Forgings Limited ('the Company') for the quarter ended December 31, 2023 and year to date from April 01, 2023 to December 31, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The Statement includes the results for the Quarters ended September 30, 2023 and December 31, 2022, and nine months ended December 31, 2022, which have not been subjected to review by us or any other auditor but are approved by the Company's Board of Directors.

Our report on the Statement is not modified in respect of this matter.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

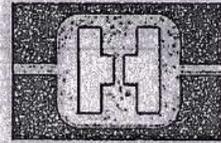

per Pravin Tulsyan
Partner
Membership No.: 108044

UDIN: 24108044BKFLXC4317
Place of Signature: Gurugram
Date: February 09, 2024



HAPPY FORGINGS LIMITED
(CIN No.: U28910PB1979PLC004008)

Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2023
(All amount in Rs. lacs, unless otherwise stated)



HAPPY FORGINGS LIMITED

Particulars	Quarter ended			9 months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	(Unaudited) Refer Note 7	(Audited)				
Income						
Revenue from operations	34,199.08	34,307.83	29,425.90	1,01,489.15	89,405.92	1,19,652.88
Other income	332.30	67.66	189.44	615.57	408.35	575.12
TOTAL INCOME (A)	34,531.38	34,375.49	29,615.34	1,02,104.72	89,814.27	1,20,228.00
Expenses						
Cost of raw materials and components consumed (Increase)/ decrease in inventories of finished goods, work-in-progress and scrap	16,418.90 (1,196.24)	17,015.79 (1,690.78)	13,736.31 652.11	48,509.99 (3,785.82)	41,202.56 251.99	54,772.46 333.19
Employee benefits expenses	3,072.32	2,930.05	2,321.61	8,492.35	6,320.18	8,777.82
Finance costs	377.85	444.41	344.98	1,091.22	713.42	1,247.58
Depreciation and amortisation expense	1,705.71	1,619.49	1,552.30	4,871.09	3,983.56	5,418.23
Other expenses	6,386.05	6,677.10	5,394.76	19,232.73	16,123.50	21,675.76
TOTAL EXPENSES (B)	26,764.59	26,996.06	24,002.07	78,411.56	68,595.21	92,225.04
PROFIT BEFORE TAX (C=A-B)	7,766.79	7,379.43	5,613.27	23,693.16	21,219.06	28,002.96
Tax expense						
Current tax (net)	1,668.56	1,815.47	1,304.73	5,587.43	5,198.67	6,854.27
Adjustments of tax relating to earlier periods	-	(35.61)	-	(68.89)	-	(9.17)
Deferred tax	308.48	73.12	149.26	454.60	221.00	287.71
TOTAL TAX EXPENSE (D)	1,977.04	1,852.98	1,453.99	5,973.14	5,419.67	7,132.81
PROFIT FOR THE PERIOD/YEAR (E=C-D)	5,789.75	5,526.45	4,159.28	17,720.02	15,799.39	20,870.15
OTHER COMPREHENSIVE INCOME/(LOSS) (OCI)						
Other comprehensive income not to be reclassified to profit or loss in subsequent period/year						
Remeasurement gain/(losses) on defined benefit plans	(40.41)	22.79	(36.02)	5.17	23.22	31.06
Less: Income tax effect on above	(10.17)	5.73	(9.07)	1.30	5.84	7.82
	(30.24)	17.06	(26.95)	3.87	17.38	33.24
Other comprehensive income to be reclassified to profit or loss in subsequent period/year						
Net Movement on effective portion of cash flow hedges	(470.02)	253.16	(1,092.11)	255.87	(1,057.26)	(1,102.63)
Less: Income tax effect on above	118.29	(63.71)	274.86	(64.40)	266.09	277.11
	(351.73)	189.45	(817.25)	191.47	(791.17)	(825.12)
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS) (OCI), NET OF TAX (F)	(381.97)	206.51	(844.20)	195.34	(773.79)	(801.88)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR, NET OF TAX (E+F)	5,407.78	5,732.96	3,315.08	17,915.36	15,025.60	20,068.27
Paid-up Equity Share Capital (Face Value of Rs. 2/- per share)	1,884.10	1,789.98	1,789.98	1,884.10	1,789.98	1,789.98
Other Equity						97,039.60
Earnings per share (EPS): (In Rs.) (Nominal value Rs 2/- per share)						
(i) Basic	6.15	6.35	4.65	18.81	17.65	23.32
(ii) Diluted	6.14	6.35	4.65	18.78	17.65	23.32
	(not annualised)	(annualised)				
See accompanying notes to the unaudited financial results						

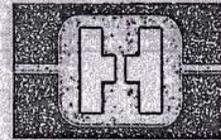


www.happyforgingsltd.com
mail@happyforgingsltd.com
marketing@happyforgingsltd.com

Regd. Off. & Plant-I
B-XXIX-2254/1, Kanganwal Road,
P.O. Jugiana, Ludhiana - 141 120 Punjab

Plant-II
H.B. NO: 220, P.O. Rajgarh,
Village: DUJRI, Ludhiana - 141 421 Punjab

CIN No.: U28910PB1979PLC004008



HAPPY FORGINGS LIMITED
Notes to unaudited Financial Results:

HAPPY FORGINGS LIMITED

1. The Company's above unaudited financial results for the quarter and nine months ended December 31, 2023, have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. The above unaudited financial results of the Company for the quarter and nine months ended December 31, 2023, have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on February 9, 2024. The Statutory auditors have expressed an unmodified conclusion on these unaudited financial results.
3. The Company manufactures "Forging components" and the management reviews the performance of the Company as a single operating segment in accordance with Ind AS-108 "Operating Segments" notified pursuant to the Companies (Indian Accounting Standard) Rules 2015. Accordingly, no separate segment information has been furnished herewith.
4. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
5. The Board of Directors and the Shareholders of the Company had approved Employee Stock Option Scheme namely "HAPPY FORGINGS ESOP SCHEME 2023" (the "Plan") in their meeting held on July 31, 2023. During the quarter ended September 30, 2023, the Company has granted 3,92,687 options to eligible employees. Out of which 11,820 options have been forfeited during the quarter ended December 31, 2023.

As per the Plan the Company, at its discretion, may grant share options to eligible employees. Vesting of the share options is dependent on the completion of a minimum period of employment with the Company and/ or fulfilment of performance conditions as may be specified in this regard. The granted Options shall vest over a period of 3 years spread equally subject to completion of minimum 3 years of service and shall be exercisable within 5 years from the date of respective vesting.

6. During the quarter ended December 31, 2023, the Company has completed its Initial Public Offering ('IPO') of 1,18,65,802 equity shares of face value of Rs. 2 each at an issue price of Rs. 850 per share (including securities premium of Rs.848 per share). The issue comprised of fresh issue of 47,05,882 equity shares aggregating to Rs. 40,000.00 lacs and offer for sale of 71,59,920 equity shares aggregating to Rs. 60,859.32 lacs. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on December 27, 2023.

Consequent to allotment of fresh issue, the paid-up equity share capital of the Company stands increased from Rs 1,789.98 lacs consisting of 8,94,99,000 equity shares of Rs. 2 each to Rs. 1,884.10 lacs consisting of 9,42,04,882 Equity Shares of Rs. 2 each.

The total provisional offer expenses in relation to the IPO are Rs. 5,603.50 lacs (including taxes). Out of total provisional expenses, Rs. 2,217.66 lacs is to be borne by the Company and Rs. 3,385.84 lacs is to be borne by selling shareholders. The breakup of IPO proceeds from fresh issue is summarized below:

Particulars	Amount	(Rs. in lacs)
Amount received from fresh issue	40,000.00	
Less: Offer expenses in relation to the Fresh Issue	2,217.66	
Net IPO Proceeds available for utilisation	37,782.34	

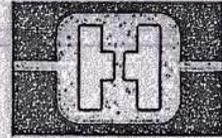


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**HAPPY FORGINGS LIMITED**

Particulars	(Rs. in lacs)		
	Net IPO proceeds to be utilised as per prospectus (A)	Utilisation of Net IPO proceeds up to December 31, 2023 (B)	Unutilized Net IPO proceeds as on December 31, 2023 (A-B)
Repayment or pre-payment of certain borrowings	15,276.00	15,276.00	-
Financing the establishment of new stores and renovation of the certain existing stores	17,112.60	-	17,112.60
General corporate purpose	5,393.70	621.90	4,771.80
Total	37,782.30	15,897.90	21,884.40

Out of the Net IPO proceeds which were unutilized as at December 31, 2023, Rs 302.83 lacs (includes Rs 11.43 lacs unutilized issue related expenses which company intends to take reimbursement from proceeds account in quarter ending March 31, 2024) are in Monitoring Account, Rs 21,325.00 lacs is temporarily invested in fixed deposit and Rs 268.00 lacs is lying in current account/ cash credit account.

7. Consequent to IPO of the Company as explained in note 6 above, the statement of unaudited financial results for the quarter and nine months ended December 31, 2023, is drawn up for the first time in accordance with the requirement of Regulation 33 of the Listing Regulations. Further, the figures for the quarters ended September 30, 2023 and December 31, 2022, and nine months ended December 31, 2022, as reported in these unaudited financial results have been approved by the Board of Directors, but have not been subjected to review of the statutory auditors.

For and on behalf of the Board of Directors of
Happy Forgings Limited

Mr. Ashish Garg
Managing Director
DIN : 01829082

Place: Ludhiana
Date: February 9, 2024



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