HAPPY FORGINGS LIMITED

INVESTOR PRESENTATION
Q2 & H1FY25

SAFE HARBOR

HAPPY FORGINGS LIMITED

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HAPPY FORGINGS LIMITED

Q2 & H1FY25 Performance Highlights

MESSAGE FROM THE MANAGING DIRECTOR

Mr. Ashish Garg
Managing Director

"I am pleased to share our financial and operational performance for Q2 & H1FY25, where we achieved steady, broad-based improvements across revenue, gross profit, EBITDA and PAT.

For Q2FY25, on an adjusted basis, sales grew by 6.1% YoY, with EBITDA by 14.8% and PAT increased by 23.8%. Realizations rose 3.6% to Rs. 253/Kg in Q2, driven by enhanced value addition in our product mix, despite a decline in steel prices. This reflects HFL's consistent improvement in the product mix that comprises of high-quality, niche, complex and critical machined components, which boosts our realisations and margins. These gains are reflected in our Gross Margin and EBITDA Margin for Q2FY25 which stood at 58.8% and 29.2% respectively, showing YoY growth. This positive yoy improvement is also reflected in absolute headline figures and margins for H1FY25 on an adjusted basis.

In the underlying industry segments, the Commercial Vehicle, Off-Highway, and Industrial sectors are experiencing slowdown in both domestic and export markets, while Farm Equipment is seeing a decline in export markets. Despite these challenges, we have managed to outperform industry growth across most of these segments.

We have successfully expanded our market share through new business while maintaining our share of business in existing accounts. Our focus remains on building a strong pipeline of new opportunities and investing in ramping up our capacities and utilization levels. As market conditions improve, we are confident that we are well-positioned for accelerated growth.

As we navigate dynamic market conditions, our dedicated approach to maintaining a strong balance sheet and commitment to high-quality, value-accretive growth will support us in delivering industry-leading profit margins and strong return ratios."

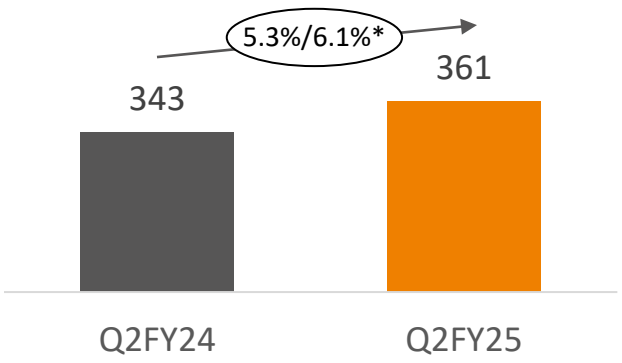
Q2 & H1FY25 PERFORMANCE HIGHLIGHTS

HAPPY FORGINGS LIMITED

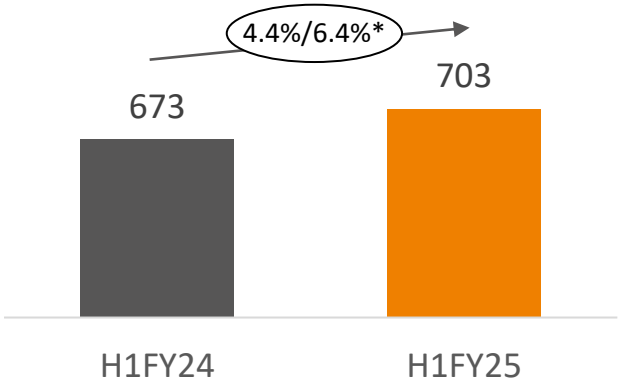
Financials in Rs Crs

Revenue From Operations

Q2FY25

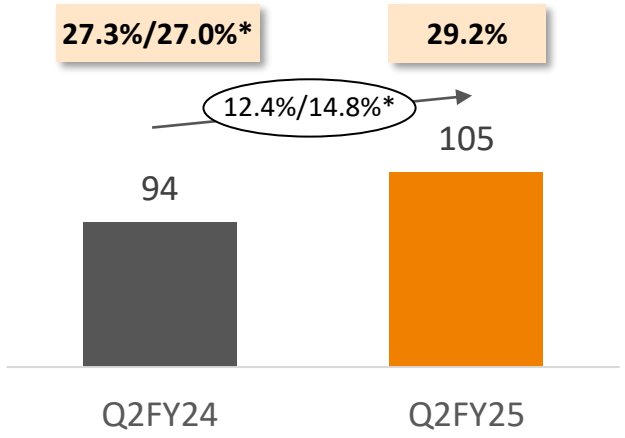


H1FY25

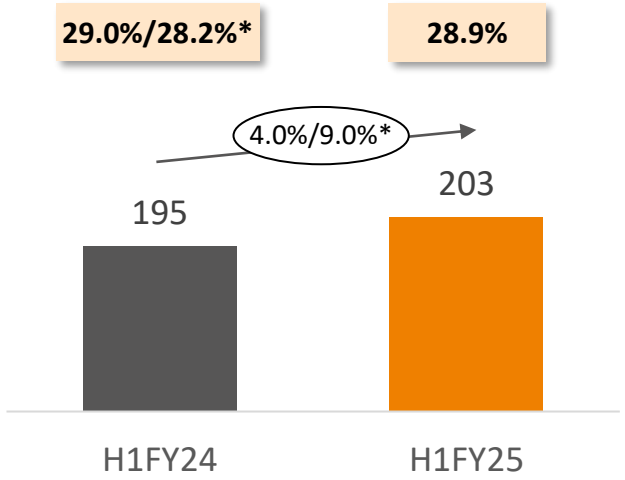


EBITDA & EBITDA %

Q2FY25

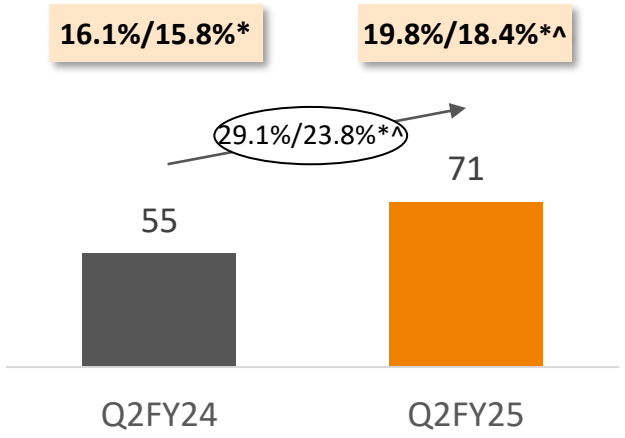


H1FY25

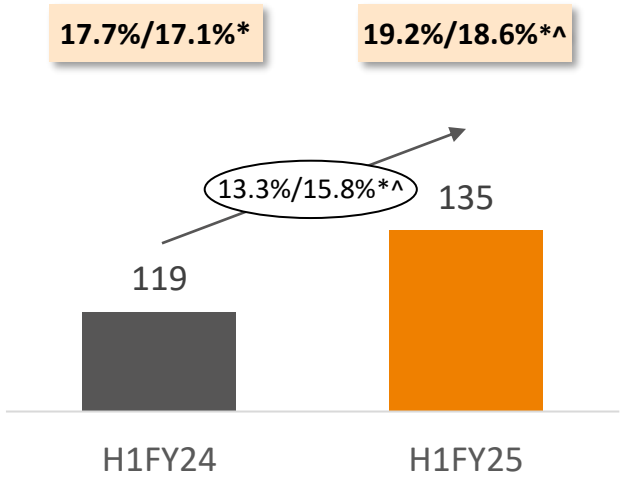


PAT & PAT %

Q2FY25



H1FY25



Margins YoY growth

** Revenue, EBITDA, and PAT were favorably impacted by higher realisation on account of air freight costs received on one order (~Rs 13 Crs, ~Rs 9 Crs, and ~Rs 7 Crs in H1FY25; ~Rs 3 Crs, ~Rs 2 Crs, and ~Rs 1 Cr in Q2FY25). Growth and margin percentages are adjusted to exclude this impact. ^ In Q2FY25 and H1FY25 other income includes a non-recurring income of Rs. 4.8 Crs. (on a post-tax basis) which has been adjusted in Q2 & H1FY25 PAT margins and yoy PAT growth percentages.*

VOLUME & REALISATION TREND

HAPPY FORGINGS LIMITED

H1FY25 Volume and Realisation

Particulars	H1FY24	H1FY25	YoY	FY24
Finished Goods Volume (MT)	27,505	28,223	+2.6%	55,379
Realisation/Kg (Rs.)	245/240*	249	+1.8%/3.7%*	245

Realisation improved by Rs. ~9/kg YoY* in H1FY25 despite a fall in raw material costs during the period

**During H1FY24, revenue was favorably impacted by higher realisation on account of air freight costs received on one order by ~Rs. 13 Crs. Adjusting for this impact, adjusted realization in H124 would have been Rs 240/Kg and realization/kg would have grown by ~3.7%*

Note – As machining content in finished goods increases, the conversion rate from total volume to finished goods volume tends to decrease.

PROFIT & LOSS STATEMENT

HAPPY FORGINGS LIMITED

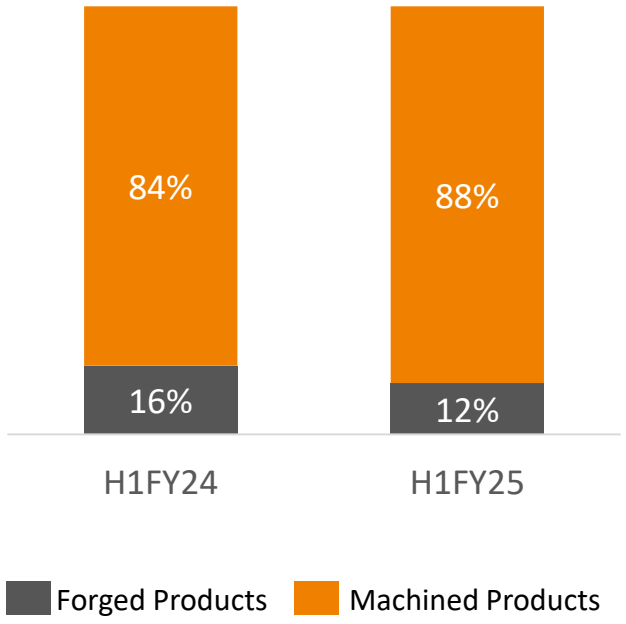
(In Rs. Crs)	Q2FY25^	Q2FY24*	YoY	Q1FY25	QoQ	H1FY25^	H1FY24*	YoY	FY24
Revenue from Operations	**361**	**343**	***5.3%***	**341**	***5.8%***	**703**	**673**	***4.4%***	**1,358**
Raw Material cost & change in inventories	149	153		149		297	295		597
Gross Profit	**213**	**190**	***11.9%***	**193**	***10.2%***	**405**	**378**	***7.3%***	**762**
Gross Profit Margin	**58.8%**	**55.3%**	**351bps**	**56.5%**	**236bps**	**57.7%**	**56.2%**	**154bps**	**56.1%**
Employee Cost	31	29		29		60	54		114
Other Expenses	76	67		66		143	128		260
EBITDA	**105**	**94**	***12.4%***	**98**	***8.0%***	**203**	**195**	***4.0%***	**388**
EBITDA Margin	**29.2%**	**27.3%**	**185bps**	**28.6%**	**59bps**	**28.9%**	**29.0%**	**(12bps)**	**28.5%**
Depreciation	20	16		18		38	32		65
EBIT	**86**	**78**	***10.5%***	**80**	***7.7%***	**165**	**164**	***1.1%***	**323**
EBIT Margin	**23.7%**	**22.6%**	**113bps**	**23.3%**	**42bps**	**23.5%**	**24.3%**	**(78 bps)**	**23.8%**
Interest	2	4		1		3	7		12
Other Income	13	1		8		21	3		13
PBT	**97**	**74**	***31.8%***	**86**	***13.3%***	**183**	**159**	***14.9%***	**324**
PBT Margin	**26.9%**	**21.5%**	**541bps**	**25.1%**	**179bps**	**26.1%**	**23.7%**	**238bps**	**23.9%**
Tax	26	19		22		48	40		81
PAT	**71**	**55**	***29.1%***	**64**	***11.9%***	**135**	**119**	***13.3%***	**243**
PAT Margin	**19.8%**	**16.1%**	***365bps***	**18.7%**	**108bps**	**19.2%**	**17.7%**	**151bps**	**17.9%**
EPS (Diluted)	7.57	6.17		6.76		14.33	13.33		26.75

** During H1FY24, financials were favorably impacted by higher realization on account of air freight costs received on one order (Revenues by ~Rs. 13 Crs, EBITDA by ~Rs. 9 Crs and PAT by ~Rs.7 Crs in H1FY24; Revenues by ~Rs 3 Crs, EBITDA by ~Rs 2 Crs and PAT by ~Rs 1 Crs in Q2FY24)*

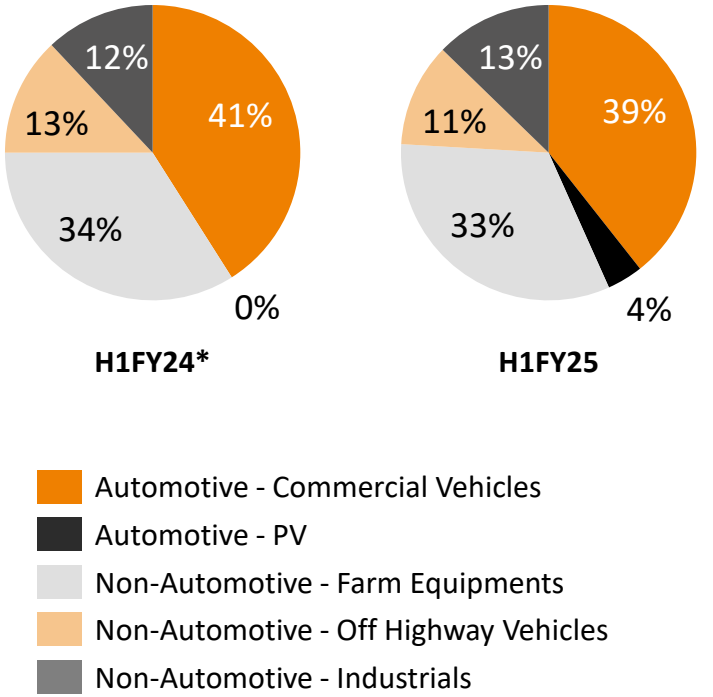
^ In Q2FY25 & H1FY25 other income included a non-recurring income of Rs. 4.8 Crs (on a post-tax basis)

KEY DATA POINTS

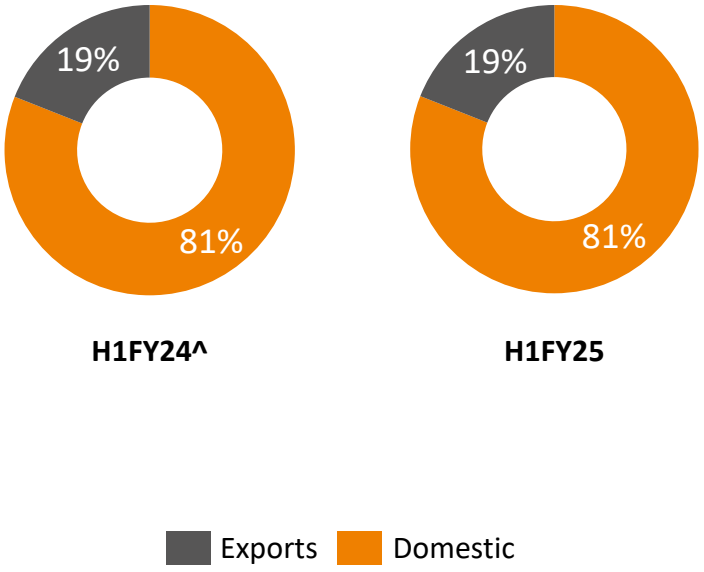
PRODUCT MIX



SECTOR MIX *



GEOGRAPHY MIX ^

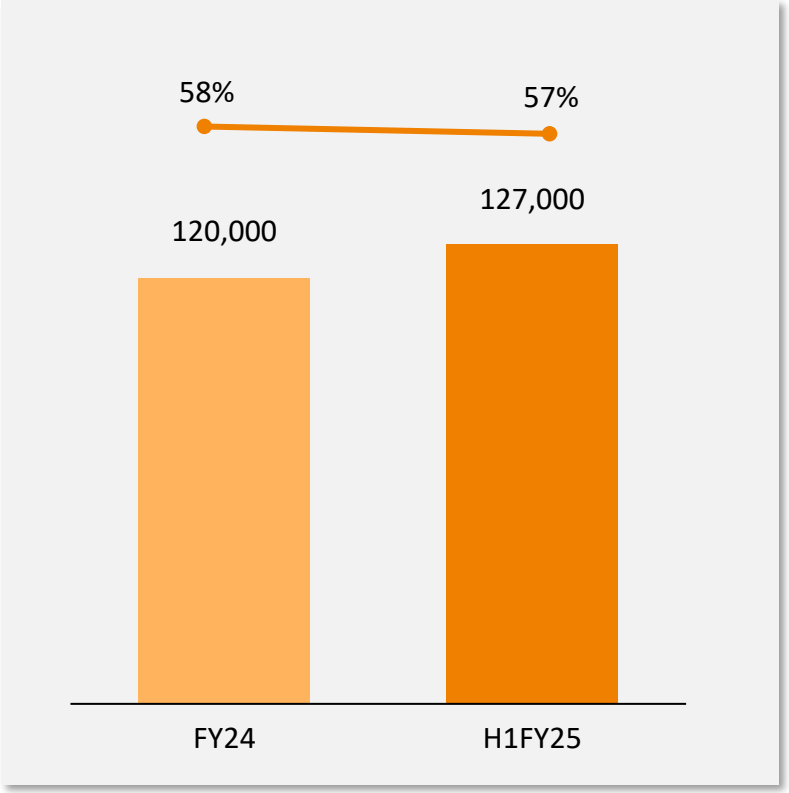


Note: During H1FY24, financials were favorably impacted by higher realisation on account of air freight costs received on one order by ~Rs. 13 Crs
** Sector mix shown in the H1FY24 chart excludes this favorable revenue impact. Including it, the sector mix would be; Commercial Vehicles – 40%, Farm Equipment – 33%, Off-Highway Vehicles – 13% and Industrials – 14%.*
^ Geography mix shown in the H1FY24 chart excludes this favorable revenue impact, including which geographic mix would be; Domestic – 79% and Exports – 21%

DRIVING OPTIMAL UTILIZATION AND EFFICIENCY

HAPPY FORGINGS LIMITED

Strategically adding capacity with a strong focus on capital efficiency



Forging Capacity (in MT)

Utilisation

Machining (in MT)

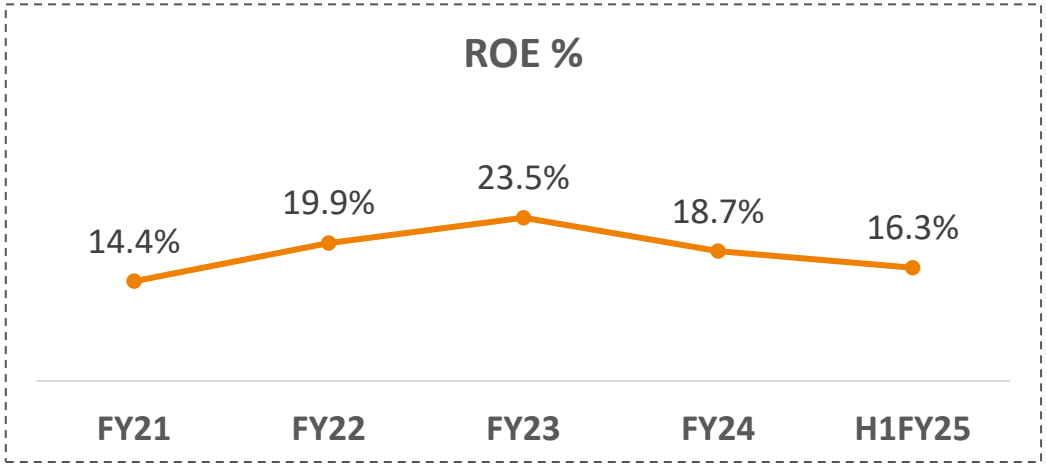
Utilisation

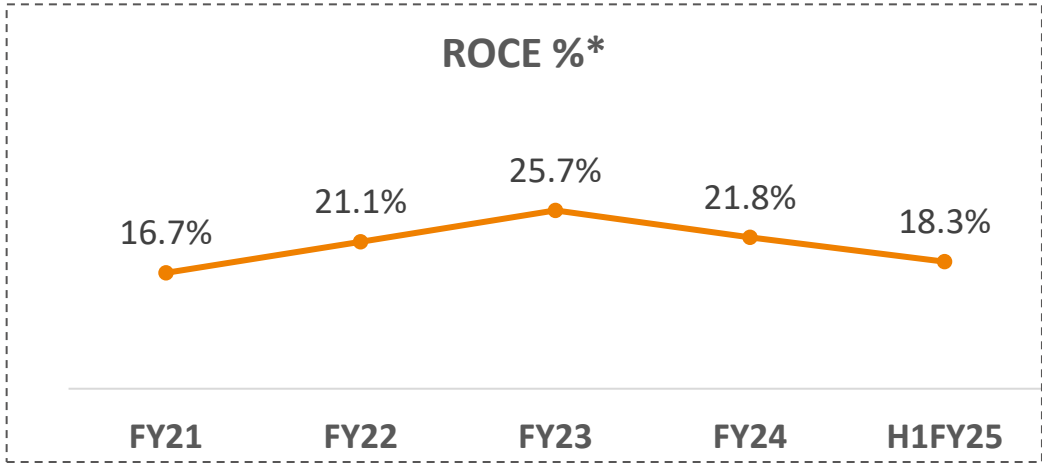
Note: Figures represent Annual Capacity. Installed capacity represents the capacity as on the last date of the relevant period. Capacity utilization is based on the average available capacity for the period.

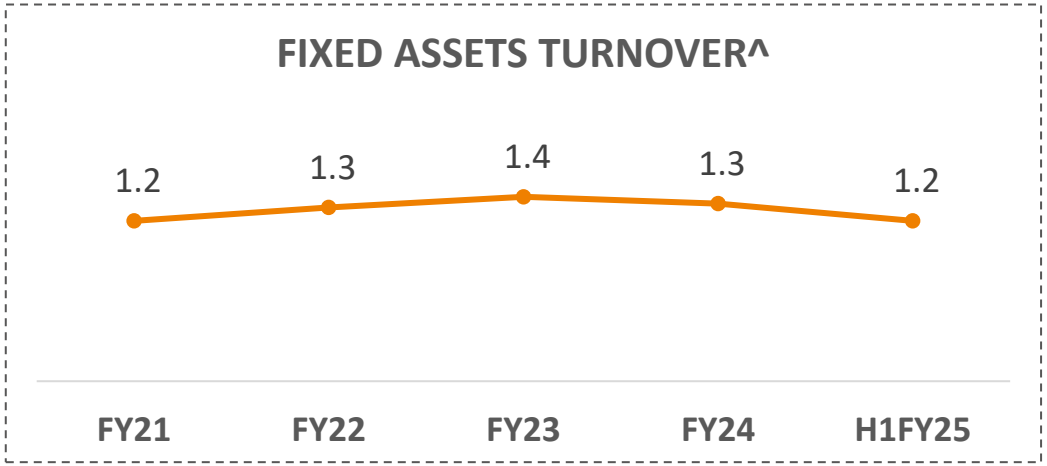
CONSISTENCY OF GROWTH AND RETURNS

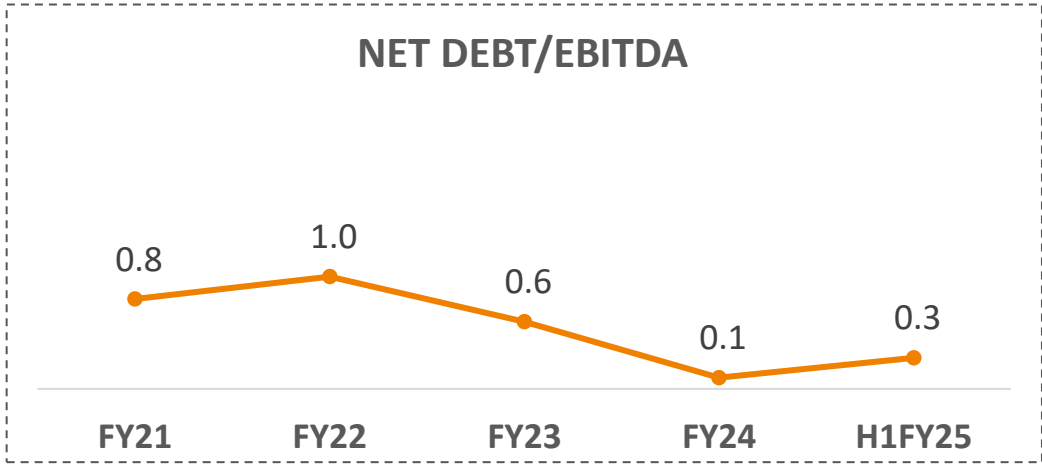
HAPPY FORGINGS LIMITED

Superior return metrics with reducing net debt/EBITDA wherein capex has been largely funded by internal accruals









** Capital employed used for computing ROCE includes investments. However, other income (including interest income) has not been considered in ROCE calculation. After including other income, ROCE for H1FY25 stands at 20.6% and 22.7%, 26.2%, 21.8% and 17.5% for FY24, FY23, FY22 and FY21 respectively. ^ Computed on Gross Block*

HAPPY FORGINGS LIMITED

Company Overview

A LEGACY OF EXCELLENCE

HAPPY FORGINGS LIMITED

About Us

Incorporated in July 1979, Happy Forgings Limited is an Indian manufacturer specializing in designing and manufacturing heavy forgings and high-precision machined components

The company manufactures high precision products such as crankshafts, front axle carriers, steering knuckles, differential housings, transmission parts, pinion shafts, suspension products and valve bodies catering to different industries and customers

Revenue FY24
Rs. 1,358 Crs

EBITDA % FY24
28.5%

~45 years
of Manufacturing Excellence

3
Manufacturing Facilities

127,000 tonnes
Forging capacity*

57,000 tonnes
Machining capacity*

2nd Largest
Producer of commercial vehicle and high horse-power industrial crankshafts in India

4th Largest
Engineering-led manufacturer of complex and safety-critical, heavy forged and high-precision machined components in India

Longstanding Relationships
With our top customers

Diversified Customer Base
Across Indian & Global OEMs

AA/STABLE
CRISIL and ICRA ratings

** Installed capacity as on September 30, 2024*

VISION MISSION STATEMENT

VISION

To be amongst the top 10 forging and machining companies globally

MISSION

- State-of-the-art Technology
- Deliver more than promised
- Respect and encourage people
- Inspire innovation and creativity
- Care for the environment and society

BUSINESS EVOLUTION SPANNING OVER FOUR DECADES

HAPPY FORGINGS LIMITED

1979

Established a single unit for manufacturing bicycle crank arms

2005

Heavy-duty hammers installed for oil engine and motor parts production

2008

Initiated installation of 8,000-tonne forging press and model grinding for 4/6-cylinder crankshafts

2010 - 2015

Expanded machining capacity. Entered commercial vehicle and industrial segments

2017 - 2018

Commissioned the second 8,000-tonne press

2020 - 2022

Installed 8 single-piece flow lines for crankshafts and the third 8,000-tonne press

2023

HFL achieved a milestone by getting listed on the NSE and BSE

2024 – 2026P

Installation and commencement of 6,300 and 10,000-tonne press lines and additions in machining capacity

FULLY INTEGRATED CAPABILITIES

HAPPY FORGINGS LIMITED

Forging

Fully automated forging press lines and hammers to produce high-quality forged products

Machining

Advanced software and equipment to ensure that our machining processes adhere to stringent tolerance levels

Die Design & Manufacturing

Latest technology and tools to offer a wide range of services, including design, prototyping, testing and manufacturing

Metallurgical Facilities

Equipped with a range of advanced metallurgical testing and analysis equipment to ensure the highest quality in the forging manufacturing process

Heat Treatment Facilities

Equipped with the latest technology and equipment to provide precise and effective heat treatment processes for our products

Inspection and Quality Control

World class and most advanced metrology room to ensure the highest standards of quality

COMPLETE PROCESS FLOW

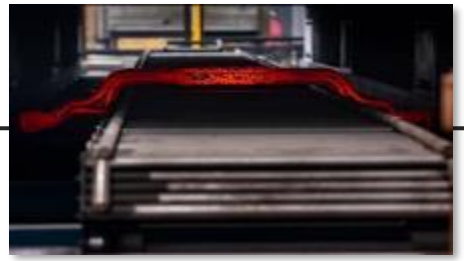
HAPPY FORGINGS LIMITED

Covered Raw Material Yard

Billet Cutting Section

Metallurgical Testing Lab

Forging



Control Cooling

Heat Treatment

Machining

Standard Room

Final Inspection

Packaging & Dispatch

MULTI-PRODUCT AND MULTI-INDUSTRY OFFERINGS (1/2)

HAPPY FORGINGS LIMITED

Commercial Vehicles

Front Axle Components

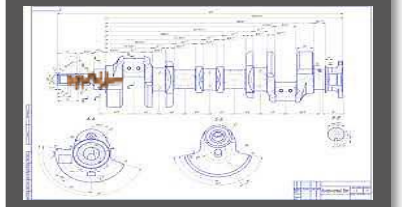
Rear Axle Component

Suspension Products

Crankshaft

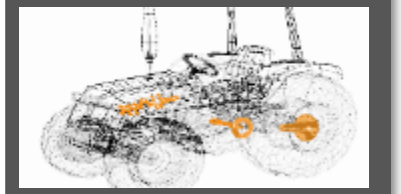
Differential Case

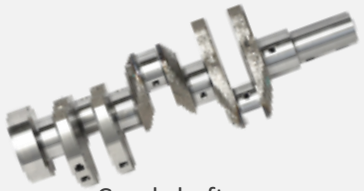
Power Generation



Crankshaft

Farm Equipment





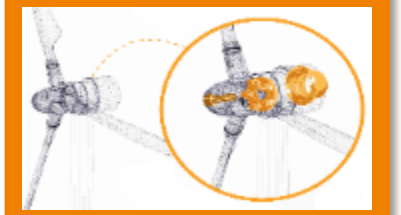
Crankshaft

Crown Wheel

Axle Shaft

Pinion

Windmill Applications



Housing

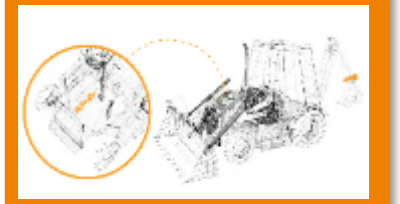
Output Shaft

Planet Carrier

MULTI-PRODUCT AND MULTI-INDUSTRY OFFERINGS (2/2)

HAPPY FORGINGS LIMITED

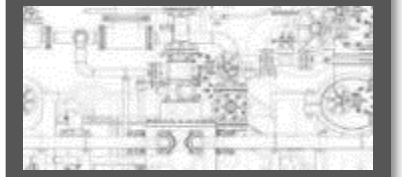
Off-highway Vehicles



Crankshaft

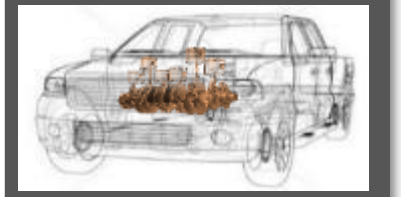
Bucket Link

Oil & Gas



Valve Bodies

Passenger Vehicles

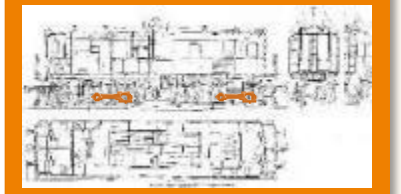


Crankshafts

Brake Flange

E Axle Components

Railways



Piston Pin

Connecting Rod

PAVING OUR PATH TOWARDS ACCELERATED VALUE CREATION

HAPPY FORGINGS LIMITED

Transition from a forging led player to a leading manufacturer of machined components in India

In-house design capabilities & fungible production lines have led to a diverse product offering, continuous value addition

Increasing global presence through increase in direct & indirect exports

Increased wallet share from customers by offering additional products to existing customers

Track record of consistently building capabilities and infrastructure with a focus on capital efficiency

HIGH ENTRY BARRIERS

HAPPY FORGINGS LIMITED

CAPITAL INTENSIVE BUSINESS

- Capital-intensive business that involves complex technology, machinery and systems acting as an entry barrier for smaller and unorganized players

STRATEGIC RESILIENCE

- Lengthy customer and product approval processes

SELECTIVE SUPPLIER DYNAMICS

- Difficulty in acquiring new customers without existing relationships

PRECISION IN PRACTICE

- Importance of implementing and sustaining quality systems while providing critical & high precision components involving tight tolerances (eg: tolerance for machined products ranges between 0.005 mm & 0.2 mm)

PRODUCT RELIABILITY

- Global industry leaders are highly selective in qualifying new suppliers with respect to critical products given the high costs and risks of switching suppliers, especially where product reliability is critical

HAVE DEMONSTRATED THE ABILITY TO INSTALL AND OPERATE HIGH TONNAGE PRESSES AND PRECISION MACHINING

HAPPY FORGINGS LIMITED

Total Forging Capacity*

127,000 MT

Total Machining Capacity*

57,000 MT

Kanganwal I
Started in 1995
Kanganwal, Ludhiana

Kanganwal II
Started in 2006
Kanganwal, Ludhiana

Dugri
Started in 2021
Dugri, Ludhiana

Strategic Location of Facilities

- Facilities located **near inland container depot facility** in Ludhiana and **Dedicated Freight Corridor** (DFCs) provides cost and logistical advantages

Continuous Investment in in-house infrastructure

- Installation of new 14,000 tonne press, makes HFL the only **second company in India to have such press or higher forging press**
- The **ability to forge heavier and complex parts** up to 250 kgs to cater to different industries which require heavy and complex parts

Operating Efficiencies

- **Fungible product lines** along with **vertically integrated facilities** helps drive diverse product offering, reduced operating costs and improve productivity

** Installed Capacity as on **September 30, 2024***

ARCHITECTS OF PROGRESS

HAPPY FORGINGS LIMITED

Paritosh Kumar

Chairman & Managing Director

- ~45 years of experience in the industrial sector
- Bachelor's degree in arts from S.C. Dhawan Government (Evening) College, Ludhiana, Panjab University
- Involved in the strategic decision making of HFL, oversees the company's business activities and is proficient in financial management, budgeting involved in setting up the governance standards

Ashish Garg

Managing Director

- Has ~17 years of experience in the industrial sector
- Holds a bachelor's degree in science (accounting and finance), and a master's degree in science (manufacturing systems engineering) from the University of Warwick, UK
- Responsible for managing the company's business operations, financial performance, growth strategies and investments in different capacities and product developments

Megha Garg

Whole - Time Director

- Has ~ 8 years of experience in the industrial sector
- Holds a bachelor's degree in science (economics) from the University of Nottingham, United Kingdom
- Responsible for managing the digital marketing to engage prospects and capture leads and spearheading ESG initiatives

Narinder Singh Juneja

CEO & Whole - Time Director

- Has over 50 years of experience in the industrial sector
- Holds a post diploma course in mechanical engineering (machine tools operation and maintenance) from Y.M.C.A. Institute of Engineering, State Board of Technical Education, Haryana

Pankaj Kumar Goyal

Chief Financial Officer

- Has over 23 years of experience in the finance sector
- Holds a bachelor's degree in commerce from Government College, Malerkotla, Punjabi University, and is a Fellow Member of the Institute of Chartered Accountants of India
- Proficient in financial management, budgeting, cost control, and strategic planning, with a focus on maximizing values for stakeholders.

Patwinder Singh

Chief Operating Officer

- Has over 22 years of overall experience
- Holds a bachelor's degree in science from Guru Nanak Dev University, and a master's degree in business administration from CSM Institute of Graduate Studies

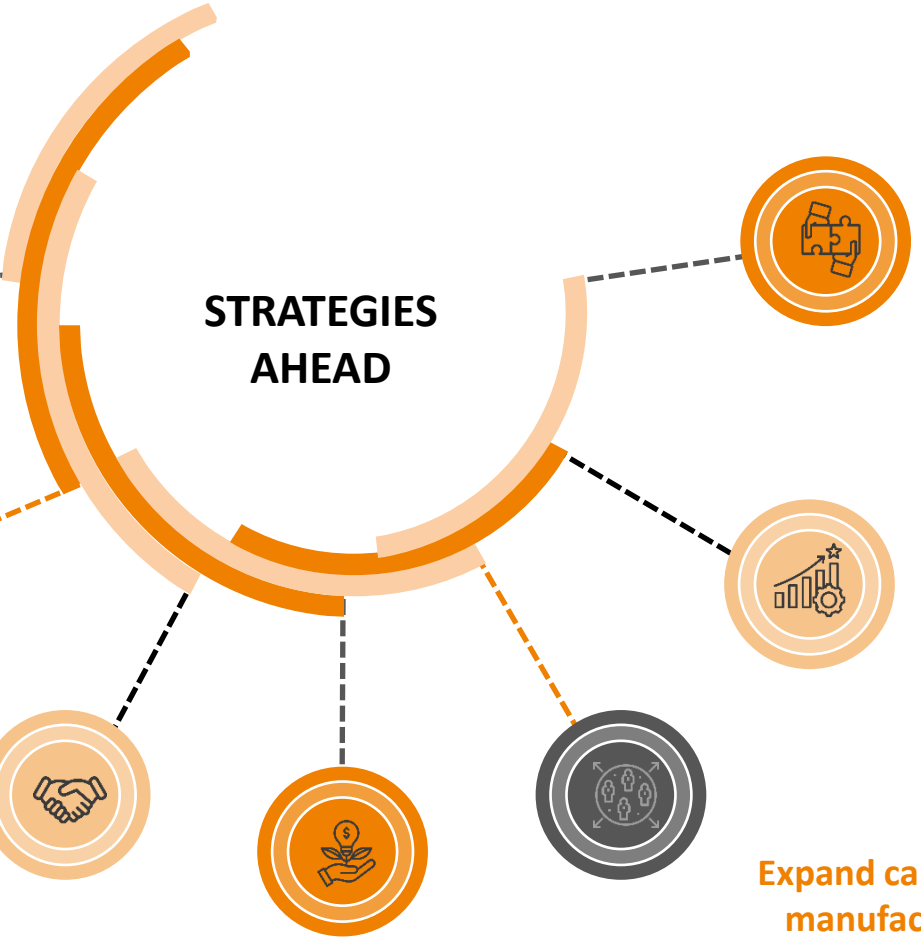
Mangesh Shantaram Purandare

Chief Marketing Officer

- He has over 27 years of experience in the marketing sector. Mainly in auto components including Castings / Forgings / Gears and Bearings.
- Holds a bachelor's degree in engineering (industrial) and a master's degree in business administration from University of Pune
- Responsible for New Business Development International and Domestic.

NAVIGATING THE PATH TO SUSTAINABLE GROWTH

HAPPY FORGINGS LIMITED



Use in-house capabilities for product development to tap into industrial market opportunities

Grow inorganically through strategic acquisitions and alliances

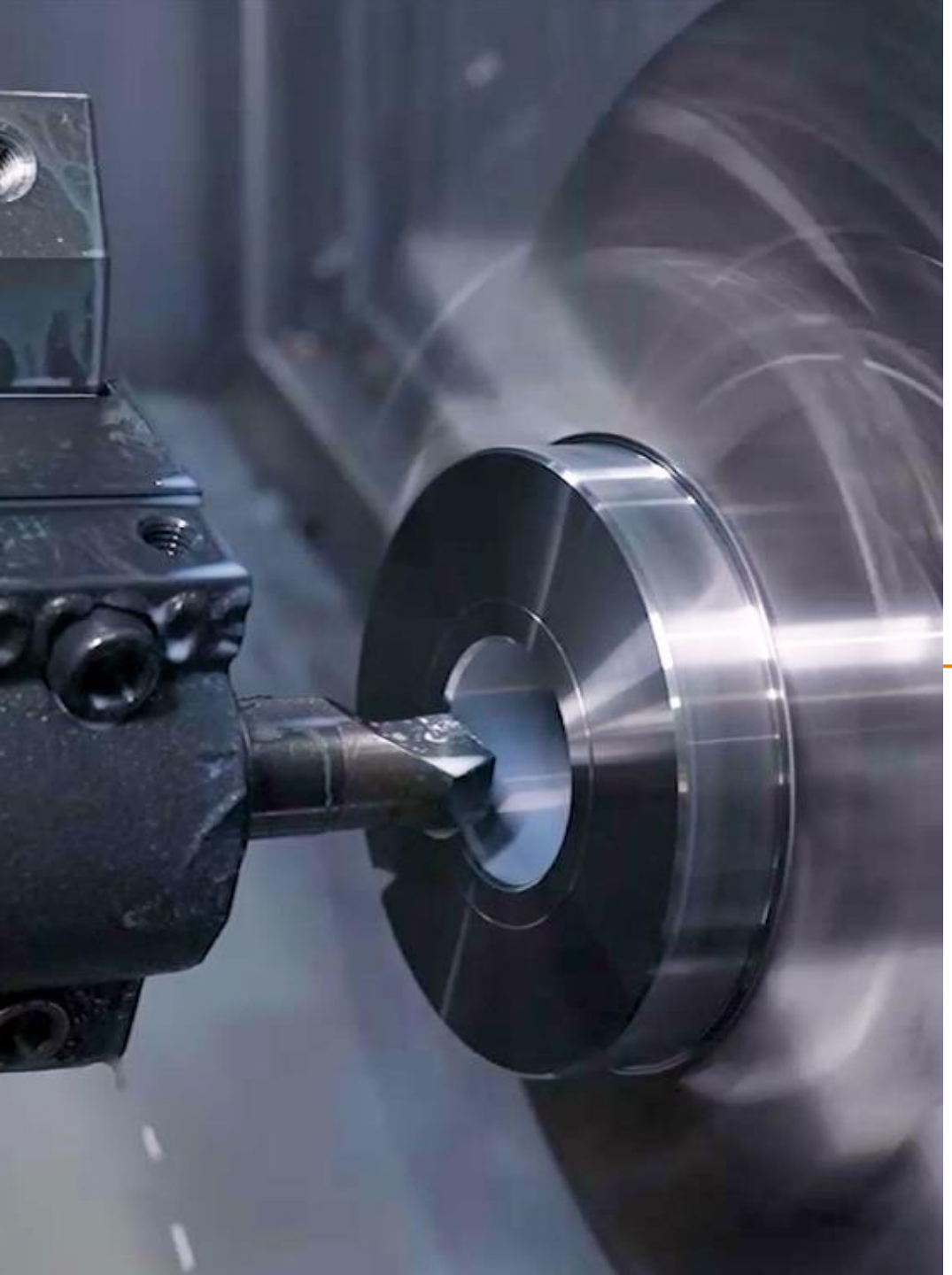
Enter lightweight forging and machining for passenger vehicle sector

Continue to reduce operating costs and improve operational efficiencies

Expand wallet share and acquire new business by leveraging existing OEM relationships and adding new customers

Capitalise on increasing demand from international markets to grow exports

Expand capacity at existing manufacturing facilities



HAPPY FORGINGS LIMITED

Historical Financial Statements

PROFIT & LOSS STATEMENT

HAPPY FORGINGS LIMITED

Profit and Loss (in Rs. Crs)	H1FY25	FY24	FY23	FY22
Revenue from Operations	**703**	**1,358**	**1,197**	**860**
Cost of Materials Consumed	297	597	551	388
Gross Profit	**405**	**762**	**645**	**472**
Gross Profit Margin (%)	**57.7%**	**56.1%**	**53.9%**	**54.8%**
Employee Cost	60	114	88	69
Other Expenses	143	260	217	172
EBITDA	**203**	**388**	**341**	**231**
EBITDA Margin (%)	**28.9%**	**28.5%**	**28.5%**	**26.8%**
Depreciation	38	65	54	38
EBIT	**165**	**323**	**287**	**193**
Finance Cost	3	12	12	7
Other income	21	13	6	6
Profit before Tax	**183**	**324**	**280**	**192**
Tax	48	81	71	50
PAT	**135**	**243**	**209**	**142**
PAT Margin (%)	**19.2%**	**17.9%**	**17.4%**	**16.5%**
EPS (Basic)	14.35	26.78	23.32	15.90

BALANCE SHEET

HAPPY FORGINGS LIMITED

Assets (in Rs. Crs)	Sep 30, 24	Mar 31, 24	Mar 31, 23	Mar 31, 22
Non-Current Assets	**1,225**	**1,144**	**836**	**704**
Property, Plant and Equipment	884	742	677	455
Capital work-in-progress	69	122	75	212
Intangible Assets	4	1	1	2
Intangible assets under development	7	5	-	-
Other Financial Assets	206	204	31	8
Other Non-Current Assets	56	70	52	28
Current Assets	**795**	**742**	**489**	**425**
Inventories	248	224	170	184
Trade Receivables	406	357	308	222
Cash and Cash Equivalents	3	0.6	0.01	0.02
Bank Balances	90	117	0.3	1
Other Financial Assets	24	13	1	3
Other current assets	25	31	10	14
Assets Held for Sale	**-**	**-**	**1**	**1**
Total Assets	**2,020**	**1,886**	**1,326**	**1,130**

Equity & Liabilities (in Rs. Crs)	Sep 30, 24	Mar 31, 24	Mar 31, 23	Mar 31, 22
EQUITY	**1,711**	**1,612**	**988**	**788**
Equity Share Capital	19	19	18	18
Other Equity	1,692	1,594	970	770
Non-current liabilities	**34**	**32**	**81**	**97**
Borrowings	1	0	58	74
Deferred tax liabilities	34	32	23	23
Current liabilities	**275**	**242**	**257**	**245**
Borrowings	148	143	160	166
Trade Payables	73	56	48	44
Other Financial Liabilities	38	28	26	20
Other Current Liabilities	11	9	8	5
Provisions	4	4	4	3
Liabilities for current tax (net)	-	2	11	6
Total Equity & Liabilities	**2,020**	**1,886**	**1,326**	**1,130**

CASH FLOW STATEMENT

HAPPY FORGINGS LIMITED

Cash Flow Statement (Rs in Crs)	Sep 30, 24	Mar 31, 24	Mar 31, 23	Mar 31, 22
Profit before tax	**183**	**324**	**280**	**192**
Adjustments for depreciation and other items	31	72	71	40
Operating profit before working capital changes	**214**	**396**	**351**	**232**
Changes in working capital	-51	-123	-78	-109
Cash generated from operations	**163**	**273**	**273**	**123**
Direct taxes paid (net of refund)	-49	-84	-64	-43
Net cash from operating activities	**114**	**189**	**209**	**80**
Net cash from investing activities	**-77**	**-469**	**-172**	**-166**
Net cash from financing activities	**-34**	**281**	**-37**	**83**
Net change in cash and cash equivalents	2	0.6	-0.01	-3

HAPPY FORGINGS LIMITED

Impact Beyond Performance

ESG GOVERNANCE - KEY INITIATIVES

HAPPY FORGINGS LIMITED

ESG Governance

Director's Statement

*"We are at a pivotal stage in our organization's growth path and **committed to embrace robust frameworks and procedures** that translate our core values into **tangible actions marked by measurable goals**, showcasing our commitment to delivering sustainable value to all our stakeholders.*

*To improve our governance standards, we have **prioritised diversity within our Board**, ensuring a range of expertise, perspectives, and demographic representation to uphold transparency and accountability across our operations.*

*We have **established an ESG committee** which will develop a comprehensive strategy and execution plan and oversee our progress against set targets and milestones.*

*Being conscious of our environmental footprint, we have committed to **halving our Scope 1 and Scope 2 carbon emissions by 2030** alongside a commitment to **achieve 100% wastewater recycling by 2025**. We are focusing on several initiatives including increasing proportion of renewable energy usage and ensuring effective resource management by implementing rainwater harvesting and recharging groundwater.*

*We endeavor to **create a safe and enabling working environment for our employees**. We aim to increase the participation of women in our workforce and are committed to enhancing employee skills through increased training and development programs.*

*Furthermore, we **continue to increase our investments in a wide range of CSR efforts** that focus on empowering vulnerable and marginalized sections of the society.*

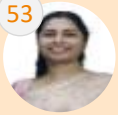
As a responsible organization, we will endeavor to develop and adopt best practices in ESG, striving to become an exemplar in our sector."

ESG Committee

- A five-member body established in March 2024 headed by the **Whole-time Director**
- A **women-majority body** with representation from various staff functions
- Agenda is to **institutionalise ESG Governance** drive formulation of **Sustainability/ESG Strategy** and **roadmap** and establish **policies and processes**
- **Bi-weekly meetings** to review and monitor progress and launch sustainability initiatives

GOVERNANCE - A DIVERSE BOARD WITH STRONG INDEPENDENT DIRECTORS

HAPPY FORGINGS LIMITED

Director (Name, Age & Experience)	Areas of Expertise	Key Board Memberships & associations (Current & past)
74 48 **Satish Sekhri (Ind. Director)**	▪ Sales & marketing and ▪ Rich industrial sector experience	▪ **Current**: JK Files & Engineering Ltd. ▪ **Past**: Harita Fehrer and Rico Auto Industries
68 38 **Ravindra Pisharody (Ind. Director)**	▪ Sales & marketing ▪ Strategy development ▪ Diverse industry experience	▪ **Current**: Savita Oil Technologies Ltd., Muthoot Finance, Bonfiglioli Transmissions and Kinara Capital ▪ **Past**: Tata Motors Ltd. and Castrol India
53  30 **Rajeswari Karthigeyan (Ind. Director)**	▪ Credit Ratings & appraisal ▪ Financial and economic research	▪ **Current**: Craftsman Automation and Belstar Microfinance ▪ **Past Role**: Associate Director – CRISIL Ratings
62 29 **Atul Behari Lall (Ind. Director)**	▪ Business Strategy & Operations ▪ Electronics manufacturing services industry	▪ **Current**: Dixon Technologies (MD & Vice Chairman), Max Estates Limited and Aditya Infotech Ltd. ▪ **Past**: Member of Technical Evaluation Committee for Electronic Manufacturing Services (DeitY)
45 19 **Vikas Giya (Ind. Director)**	▪ Finance & Accounting ▪ Project Financing, Corporate Restructuring & Insolvency	▪ **Current:** Viksun Consultants Private Ltd. and Partner at Anup Kumar Jain & Co.

Key Board Highlights

Diverse Board in terms of professional and industry experience, age and gender

Majority Independent Directors (5 out of 9)

2 Female Directors

3 committees out of 5 headed by Independent Directors (Audit, NRC and SRC)

~96% attendance of the Board members in Board meetings in FY 2024

~280+ years of collective experience of Board Members

~165 Years of collective experience of Independent Directors

~58 years average age of the Board Members

SOCIAL - KEY INITIATIVES & OUTCOMES

HAPPY FORGINGS LIMITED

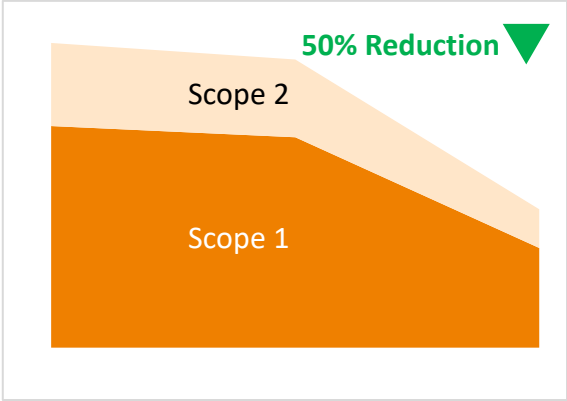
CSR Activities	Healthcare	Education	Children & Adolescents with special needs	Vocational Training & Livelihoods	Environment	Animal Welfare	Senior Citizen Welfare	Defence
Projects / Organisation funded	▪ 5 Dialysis Machines donated in Jan 2024 ▪ X Ray machines donated to a Charitable Hospital	▪ Adopted a Govt. Primary School at Kanganwal, Ludhiana ▪ Funding Noble Foundation for education of underprivileged kids	▪ Funding to Ludhiana Education Society for education and vocational training of deaf children ▪ Vocational rehabilitation center for blind	▪ Contribution to Bal Vikas Trust for infrastructure development for Vocational Training college for underprivileged girls ▪ Contribution to Indian Red Cross society (Future Tycoons project)	▪ Punjab Agricultural University ▪ Maintenance of Public Park	▪ Funding support to Dhyan Foundation & Krishan Balram Gaushala	▪ Senior Citizen council of Ludhiana	▪ Border Security Force ▪ 127 Light Air Defence Regiment
Key Outcomes	✓ 700 Dialysis ✓ X Ray's for 5,143 patients at concessional rates 	✓ 1,658 students enrolled in Kanganwal school in 2023-24 ✓ Education of 100 slum students 	✓ 85 deaf students enrolled for vocational training ✓ 103 visually impaired children benefitted 	✓ 5 courses are planned at the college which will benefit 1,000 girl students annually 	✓ Construction of walkways, green cover enhancement & maintenance 	✓ Animal welfare 	✓ 250 senior citizens benefitted 	✓ Construction of 20 shelters ✓ Purchase of 2 bio compost machines

ENVIRONMENT – OUR COMMITMENTS AND KEY INITIATIVES

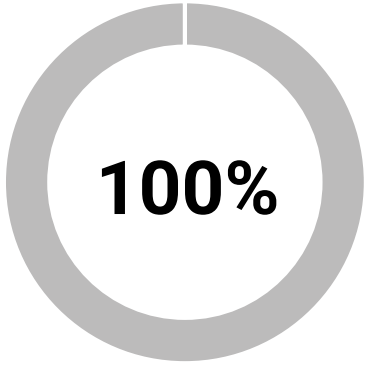
HAPPY FORGINGS LIMITED

Our Commitments

50% Reduction in Scope 1 and Scope 2 carbon emissions by 2030



100% wastewater recycling by 2025



Environment Centric Initiatives

- **Installed squeezing press** to recover cutting oil from grinding residue enabling reuse of the oil in machining process thereby reducing hazardous waste generation
- Third party **GHG assessment and verification (ISO 14064)** completed for FY2024
- **Planted 200 trees** during Q2FY25 to enhance green cover and carbon sequestration
- **5MW capacity Solar power plants** installed at our manufacturing facilities
- **1,600 kVAR Hybrid Automatic power factor control panel** to improve the power factor for three manufacturing facilities, reducing energy wastage
- **Redesigned heat treatment facility** and **replaced conventional use of low sulfur fuel oil** with LPG Line
- **Replaced all oil-fired furnaces on forging lines** with electric heating systems resulted in reduction in use of furnace oil

AWARDS, ACCREDITATIONS AND RECOGNITIONS

HAPPY FORGINGS LIMITED

2024

- *Gold award for "Superlative Performance in Agility" – 2024 Ashok Leyland Supplier Summit*
- *Received Next Level Quality award by Generac – 2023 (Received in 2024)*
- *Received Best Quality Award by Escorts Kubota Limited (2024)*
- *Received Supplier Excellence Award for "Quality Performance" by American Axle & Manufacturing - 2024*
- *Received 'Best Supplier Award' at the Global supplier meet 2024 from TAFE*

2023

- *'Supplier Excellence Award' for delivery performance at AAM (American Axle Manufacturing) India Supplier Event 2023*
- *'Award for Outstanding Contribution in Gear Business' at the Annual Supplier Conference 2023 organised by Eicher Engineering Components, VE Commercial Vehicles*
- *Received the ISO 14001:2015& ISO 45001:2018 accreditation for manufacture of forged and machined components and excluding product design Dugri Facility*
- *Received 'The Entrepreneur & Leadership Award' at the JCB Annual Supplier Conference 2023*
- *Received a certificate of appreciation for supplier Agri machinery under 'Business Excellence Process/ Digitalisation' by Escorts Kubota Ltd*

2022

- *Received the IATF 16949:2016 accreditation for manufacture of forged and machined components and excluding product design Dugri Facility*
- *"Excellence Award" by Escorts Kubota Limited*

2021

- *Received the ISO 45001: 2018 & ISO 14001: 2015 accreditation for manufacture of forged and machined components Kanganwal Facility I*
- *Received IATF 16949:2016 accreditation for manufacturing of forged and machined components without product design responsibility and with the extended manufacturing site(s) for Kanganwal Facility I*

FOR FURTHER INFORMATION, PLEASE CONTACT

COMPANY

HAPPY FORGINGS LIMITED

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