



May 30, 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 : Presentation of Investor Meet

Dear Sir(s)/ Madam(s),

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith the Presentation for the fourth quarter and the year ended on 31st March, 2024 to be presented in investors meet which is scheduled for 31st May 2024, the intimation of the said meeting was given on 22nd May 2024.

Kindly take the above information on your record.

Thanking you,

FOR HAPPY FORGINGS LIMITED

BINDU GARG
COMPANY SECRETARY &
COMPLIANCE OFFICER
M.NO.- F6997
B-XXIX-2254/1, Kanganwal Road,
P O Jugiana, Ludhiana (Pb)-141120

Regd Office :



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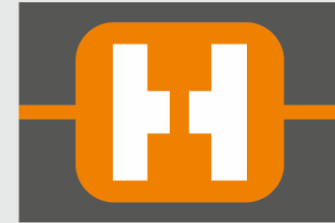


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BXXIX-2254/1, Kanganwal Road,
P. O. Jugiana, Ludhiana, Punjab,
CIN L28910PB1979PLC004008

India – 141120



HAPPY FORGINGS LIMITED

Corporate Presentation



Our Vision



To be amongst the top 10 forging and machining companies globally

Our Values



Stay at the forefront of technology



Deliver more than promised



Respect and encourage people



Inspire innovation and creativity



Care for the environment and society

Key Highlights



Scale

4th Largest

engineering led manufacturer of complex and safety critical heavy forged and high precision machined components in India

2nd Largest

manufacturer of CV and high horse-power industrial crankshafts in India



Infrastructure

1,20,000T

Forging Capacity

51,000T Machining Capacity

2nd Company

in India to have 14,000T forging press

Three 8,000T mechanical forging presses



Products

70% of Forged production

coming from heavy lines

85% revenues

From machined products

Manufacturer of **High precision components** with

tolerance in the range of 5-10 microns



Customers

Long-standing relationships

Diversified customer base of **60+ customers**

Marquee clients; both domestic and global

Successful track-record of **wallet share expansion**



Financials

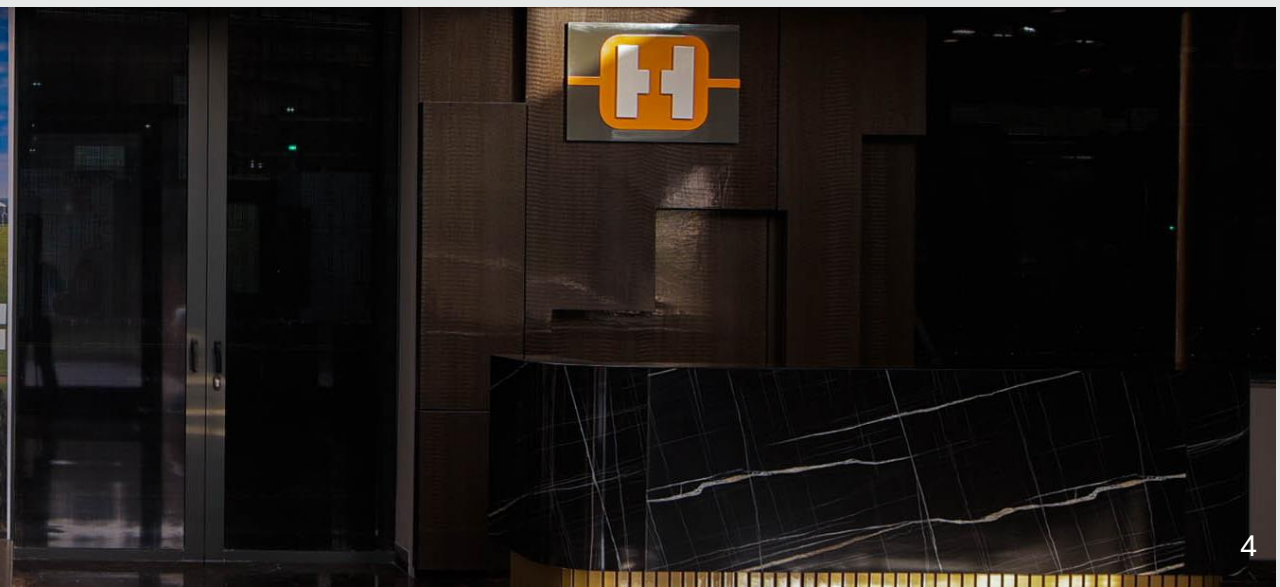
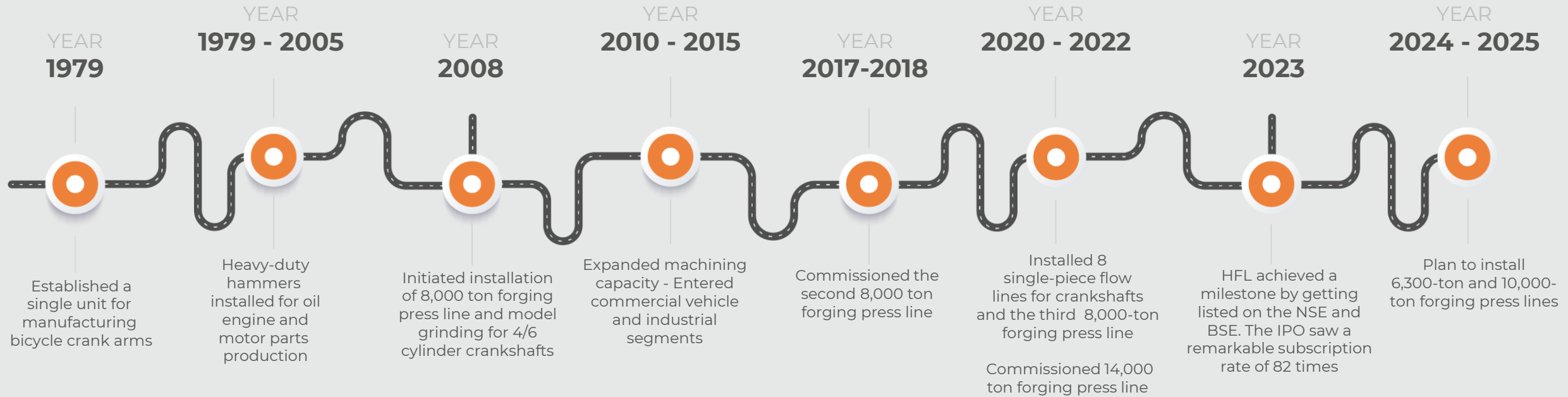
Best-in class margins & returns

EBITDA % FY24 – 28.5%
5yr Avg. EBITDA % – 27.1%
PAT% FY24 – 17.9%
ROCE FY24 (adj.)* – 26.9%

AA+ Credit Rating

Net Debt/EBITDA
FY24 – 0.1x

Our Journey



Experienced Promoters And Senior Management



Paritosh Kumar Garg

Chairman & Managing Director

- 44+ years of experience in industrial sector
- Bachelor's Degree in Arts, S.C. Dhawan Government College, Ludhiana, Panjab University



Ashish Garg

Managing Director

- 17+ years of experience in industrial sector
- Bachelor's Degree in Science (accounting and finance) and Master's Degree in Science (manufacturing systems engineering), University of Warwick, UK



Megha Garg

Whole-Time Director

- 8+ years of experience in industrial sector
- Bachelor's Degree in Science (economics) from the University of Nottingham, UK



Narinder Singh Juneja

CEO & Whole - Time Director

- 50+ years of experience in industrial sector
- Post Diploma in Mechanical Engineering - Y.M.C.A. Institute of Engineering



Pankaj Kumar Goyal

Chief Financial Officer

- 20+ years of experience in finance sector
- Bachelor's degree in Commerce from Government College, Malerkotla, Punjabi University
- Associate member of the Institute of Chartered Accountants of India



Patwinder Singh

Chief Operating Officer

- 22+ years of overall experience
- Bachelor's in Science from Guru Nanak Dev University
- Degree in Business Administration from CSM Institute of Graduate Studies



Mangesh Shantaram Purandare

Chief Marketing Officer

- 27+ years of experience in marketing sector
- Bachelors in Industrial Engineering
- MBA - University of Pune

Seasoned Board



Satish Sekhri
Independent Director

- 48+ years of experience in the field of sales and marketing and the industrial sector
- On the Board of JK Files and Engineering Limited and Rico Auto Industries Limited



Atul Behari Lall
Independent Director

- 29+ years of experience in the electronics manufacturing services industry
- Managing Director on the Board of Dixon Technologies (India) Limited



Vikas Giya
Independent Director

- 19+ years of experience in finance sector
- Member of the Institute of Chartered Accountants of India



Ravindra Pisharody
Independent Director

- 38+ years of experience in marketing, space planning and space strategy
- On the board of Muthoot Finance, Bonfiglioli Transmissions and Kinara Capital
- Served on the board of Tata Motors and Castrol India



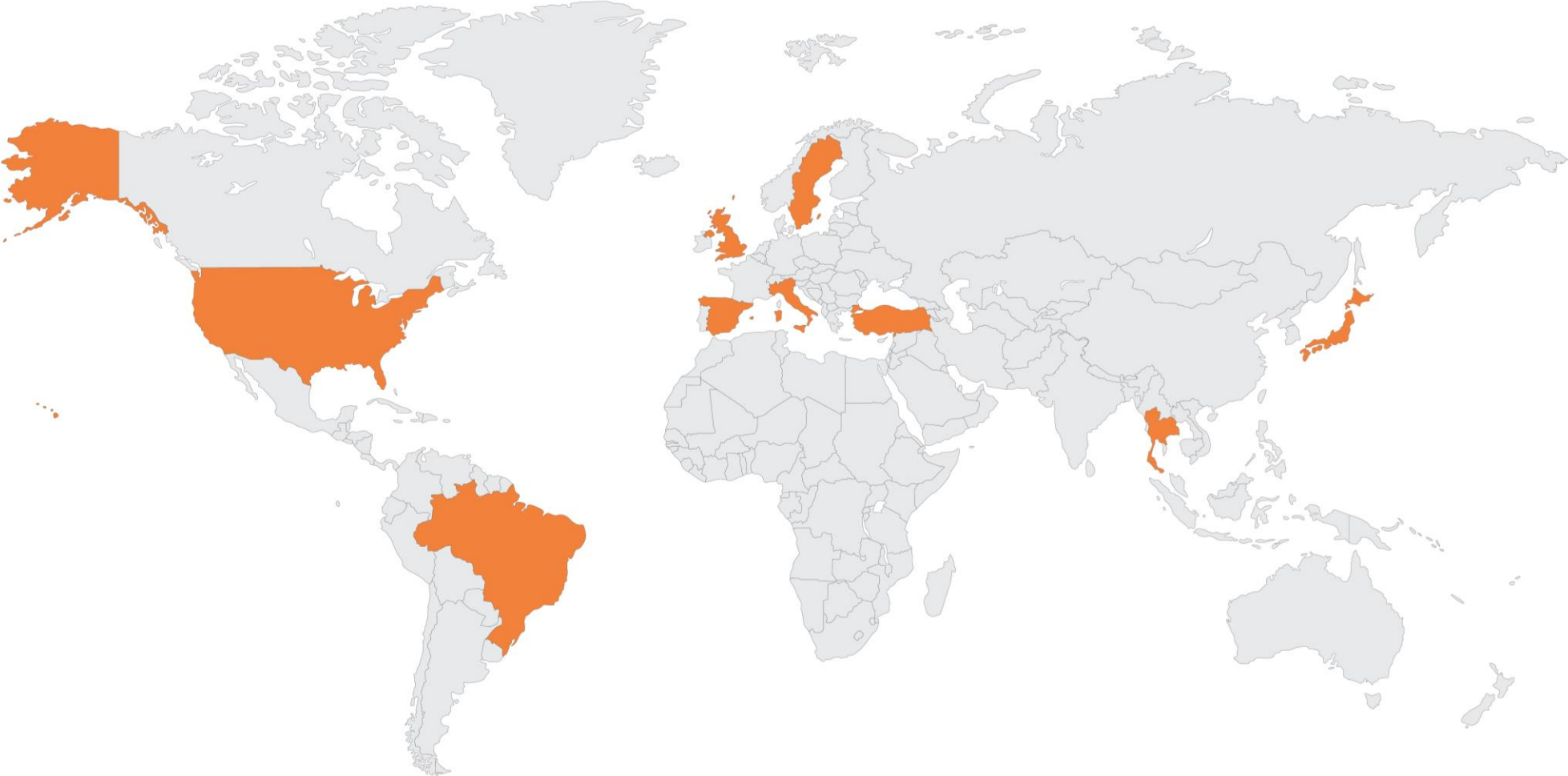
Rajeswari Karthigeyan
Independent Director

- 30+ years of experience in the credit ratings sector (Ex CRISIL)
- On the Board of Craftsman Automation and Belstar Microfinance

Global Footprints

Our business footprint extends across geographies.

HFL serves customers across **nine countries:**



- Brazil
- Italy
- Japan
- Spain
- Sweden
- Thailand
- Turkey
- United Kingdom
- USA

Product Applications

Commercial Vehicles



Passenger Vehicles



Farm Equipment



Railways



Off - Highway



Power



Oil and Gas



Wind



Farm Equipment



Crankshaft



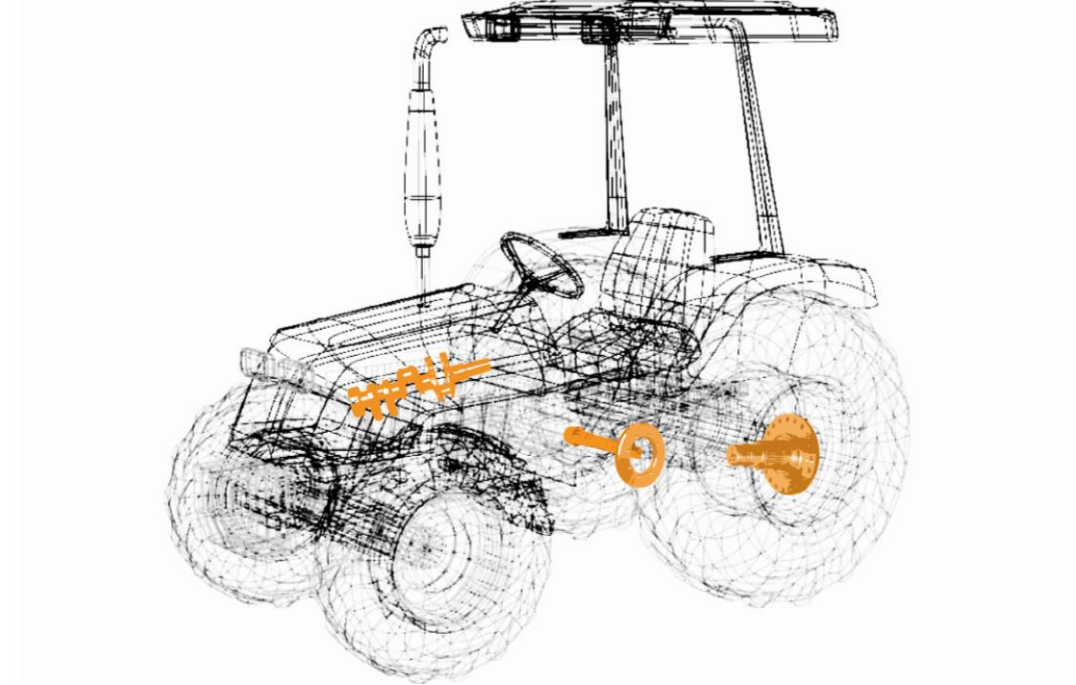
Crown Wheel



Axle Shaft



Pinion



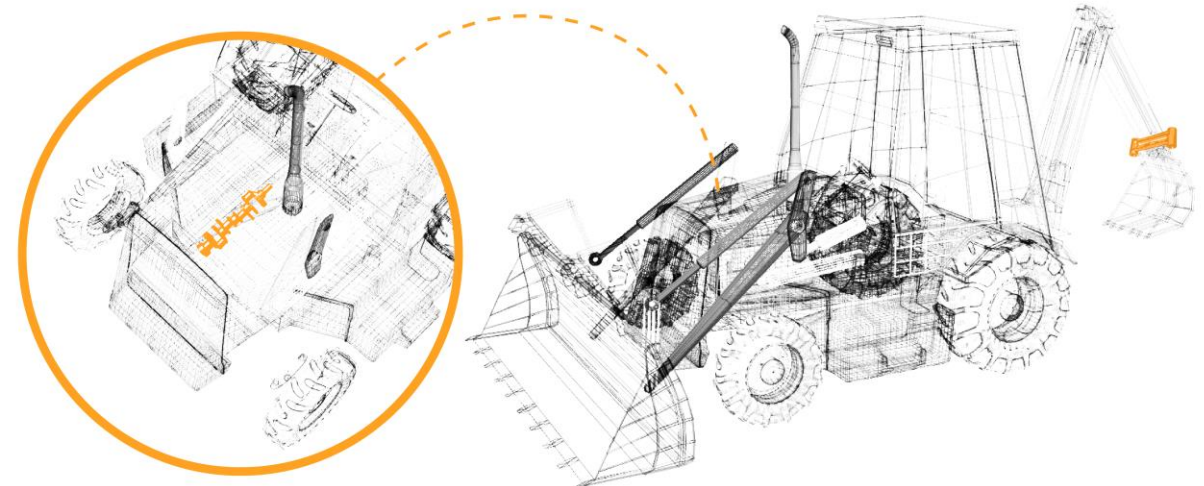
Off Highway



Crankshaft



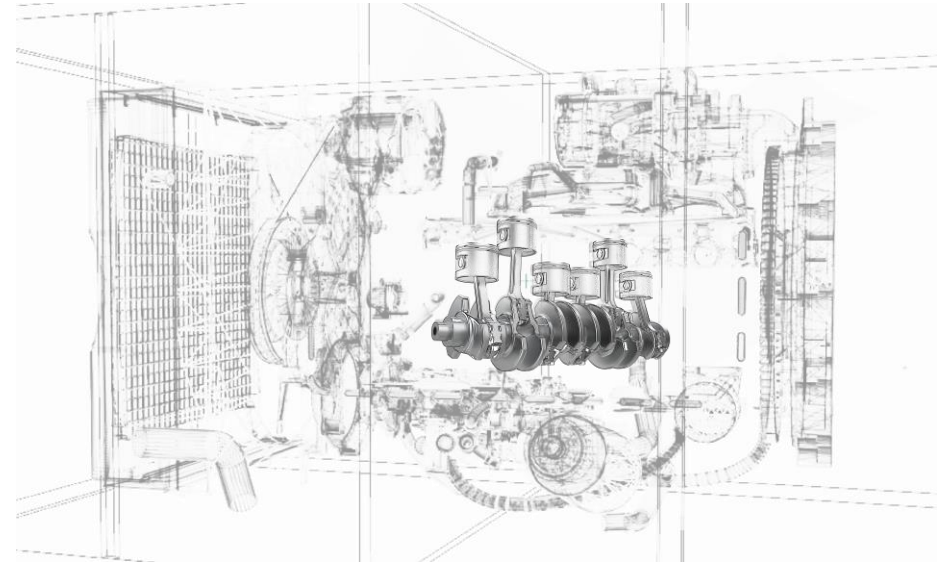
Bucket Link



Power Generation



Crankshaft



Windmill Application



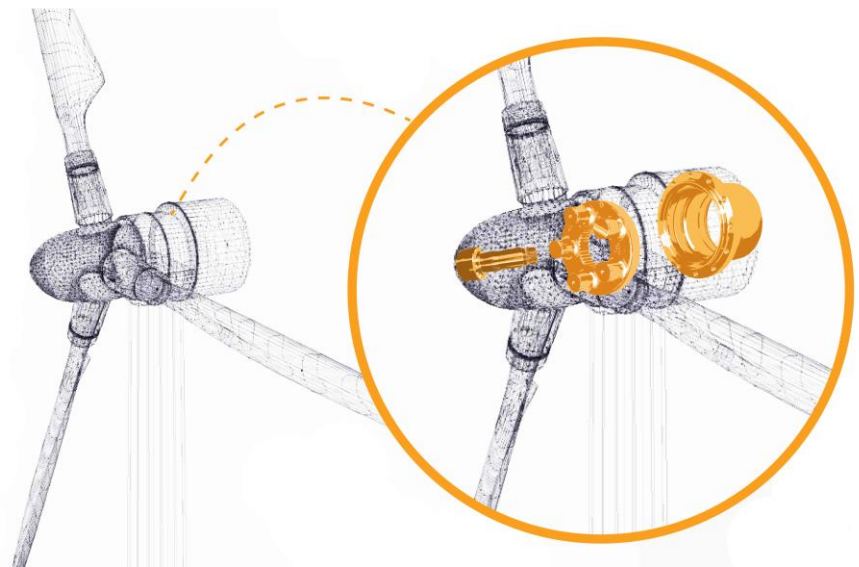
Housing



Output Shaft



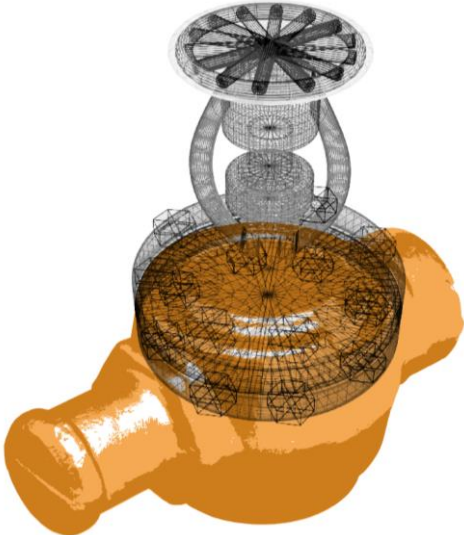
Planet Carrier



Oil and Gas Industry



Valve Bodies



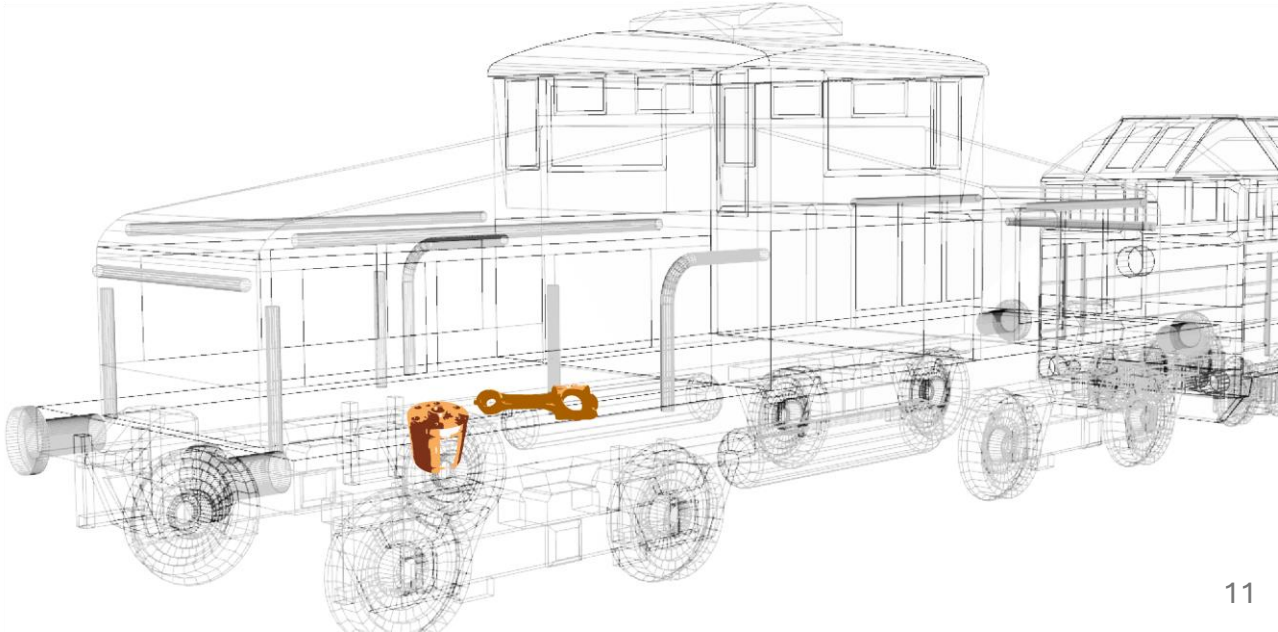
Railway



Piston Pin



Connecting Rod



Business Units

Kanganwal, Ludhiana (I)

Forging of brake flanges, bushes, camshafts, crankshafts, connecting rods, crown wheels, differential cases, planetary carriers, pinion shafts, piston pins, ring gears, shafts, steering knuckles, suspension brackets and valve bodies.

14,000 Forging capacity (MT)*

1,84,765 Area (sq. feet)

Kanganwal, Ludhiana (II)

Machining and forging bushes, connecting rods, differential cases, camshafts, crankshafts and suspension brackets and machining of the products forged in the Kanganwal Facility (II).

53,000 Forging capacity (MT)*

29,500 Machining capacity (MT)*

4,39,128 Area (sq. feet)

Dugri, Ludhiana

Forging and machining of brake flanges, crankshafts, differential cases, front axle beams, planetary carriers, pinion shafts, ring gears, steering knuckles, suspension brackets and valve bodies.

53,000 Forging capacity (MT)*

21,500 Machining capacity (MT)*

17,71,208 Area (sq. feet)



*Capacity as of March 2024



Facilities

Forging

- **One** 14,000 ton mechanical forging press
- **Three** 8,000 ton mechanical forging presses
- **One** 4,000 ton mechanical forging press
- **One** 2,500 ton forging screw press
- **One** 6 ton pneumatic hammer
- **Seven** drop hammers ranging from 1.5 ton to 4.5 ton
- **New capacities:** 6,300 ton forging press and a 10,000 ton forging press

Facilities (Cont'd)

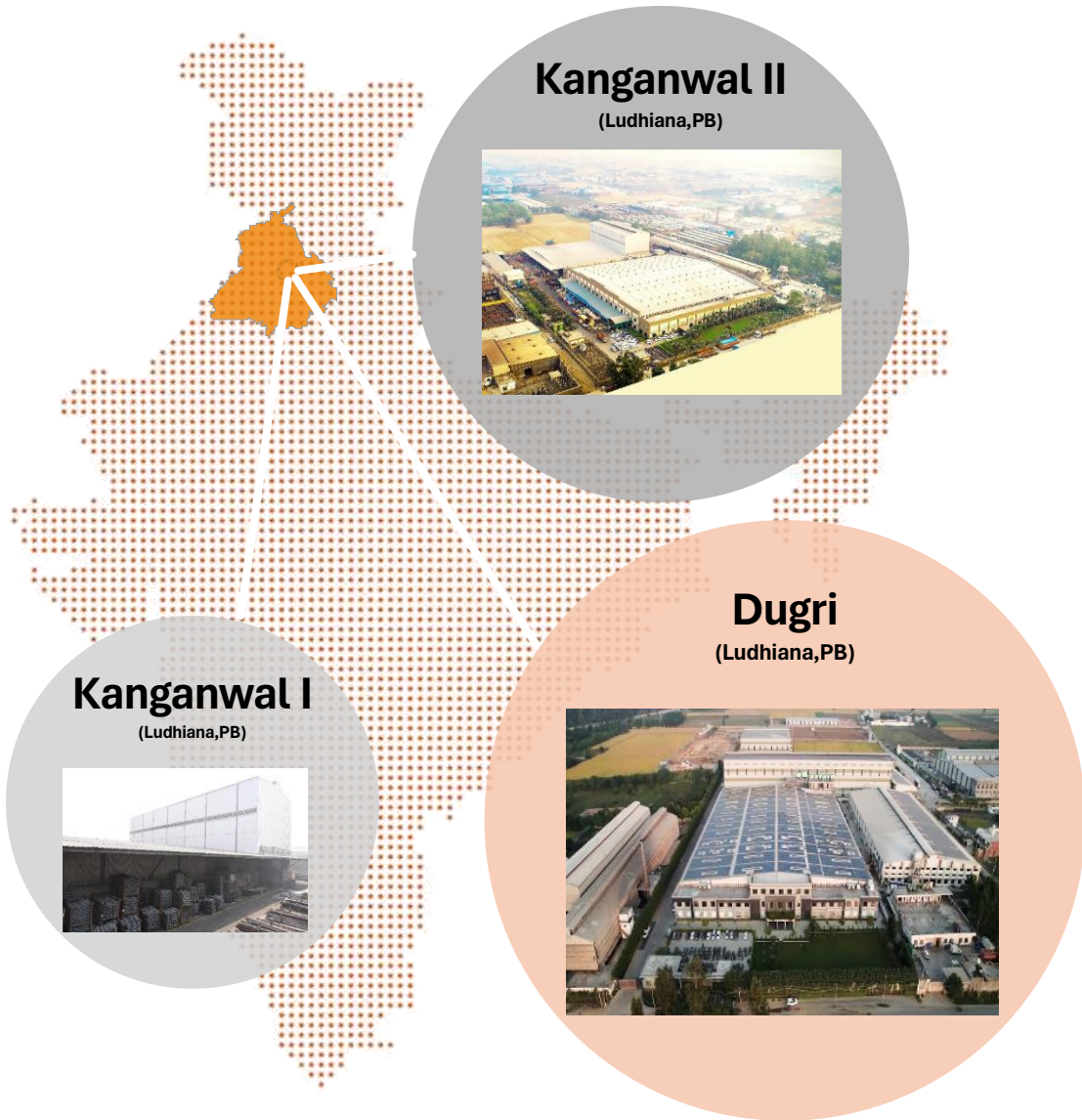
Machining

We have dedicated lines for:

- Crankshafts to manufacture over **1 million products** per annum
- Front Steering Knuckles to manufacture over **2,00,000 products** per annum
- Differential Cases to manufacture over **2,00,000 products** per annum
- Gear Blank Turning & Machined Hubs to manufacture over **2,00,000 products** per annum
- Front Axle Beam & Railway Components
- Suspension Linkage Assembly
- Planetary Carriers, Housings, Pinions to manufacture over **2,40,000 products**



Capacity Addition



Kanganwal II
(Ludhiana, PB)



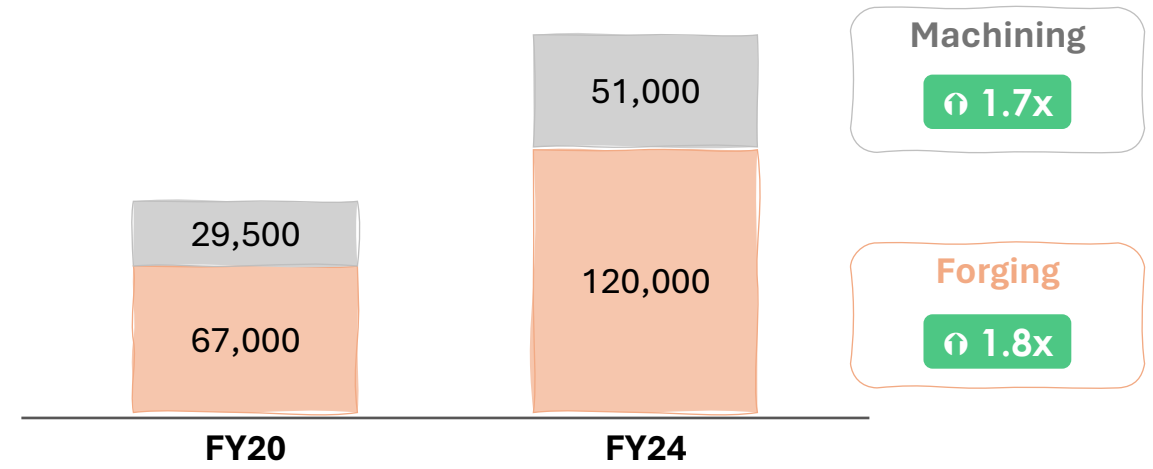
Dugri
(Ludhiana, PB)



Kanganwal I
(Ludhiana, PB)



Installed Capacity: FY24 vs FY20

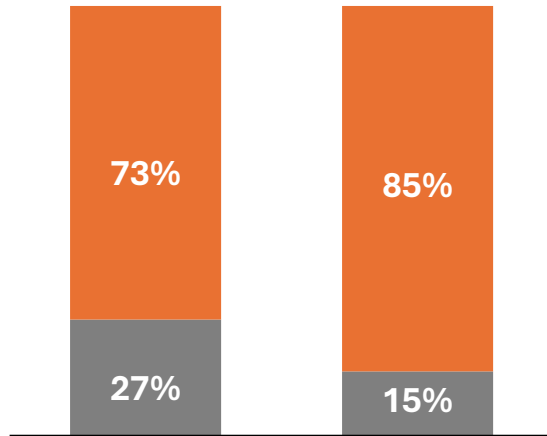


Gross Block and Capex

Gross Block FY24 (Ind AS) <i>(Incl. CWIP)</i>	Rs. 1,108 Cr. <i>(Rs. 440 Cr. In FY21)</i>	↑ 2.5x
Cumulative Capex (FY20-24)	Rs. 752 Cr.	
Debt/Equity (FY24)	0.09x	

Well Diversified Revenue Mix

PRODUCT MIX



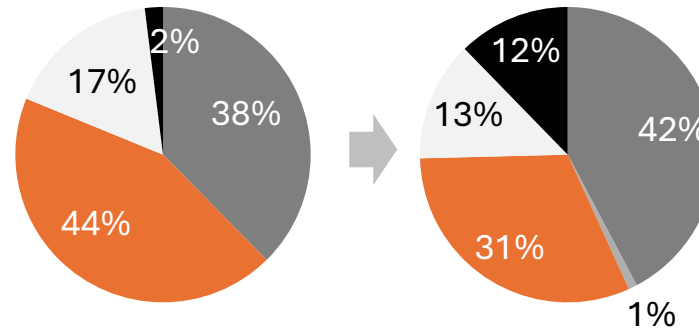
■ Forged Products ■ Machined Products



~12%

Increase in contribution of machined products which have higher realisations and margins

SECTOR MIX



FY21

FY24

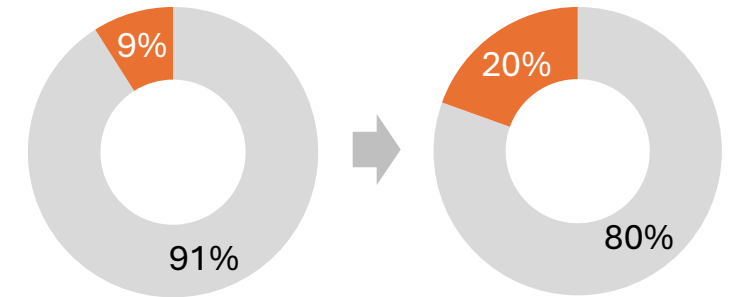
- Automotive - Commercial Vehicles
- Automotive - Passenger Vehicles
- Non-Automotive - Farm Equipments
- Non-Automotive - Off Highway Vehicles
- Non-Automotive - Industrials



~10%

Increase in share of industrials business leading to a further diversification of the business

GEOGRAPHY MIX



FY21

FY24

■ Domestic ■ Exports



~11%

Rise in share of exports insulating the business from slower industry growth in the domestic market

Note: Revenue segmentation is based on revenues from sale of finished goods

Robust Growth Track Record

Volumes & Realisation	Particulars	FY20	FY21	FY22	FY23*	FY24	CAGR (FY20-FY24)
	Finished goods volume (MT)	32,284	35,534	42,777	50,656	55,379	14%
	Realisation/Kg (Rs.)	173	165	201	232	245	9%
	EBITDA/Kg (Rs.)	45	45	54	63	70	12%

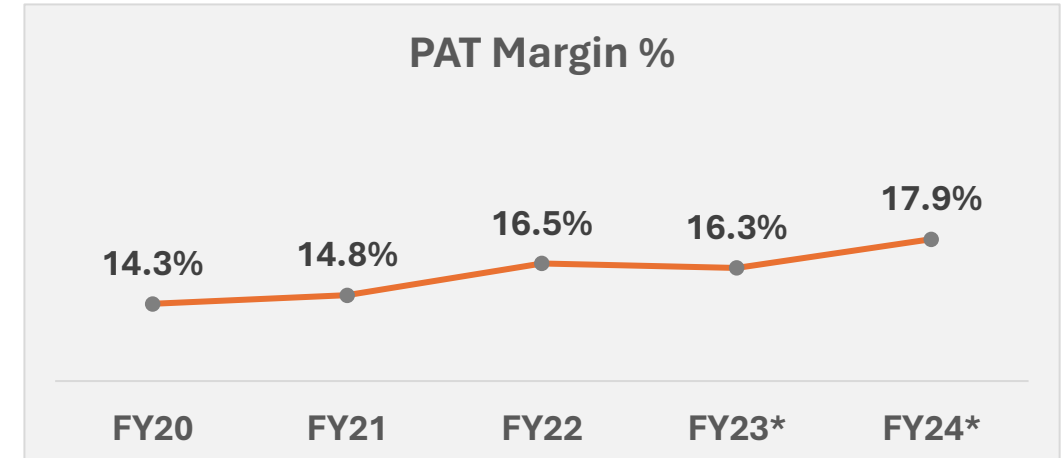
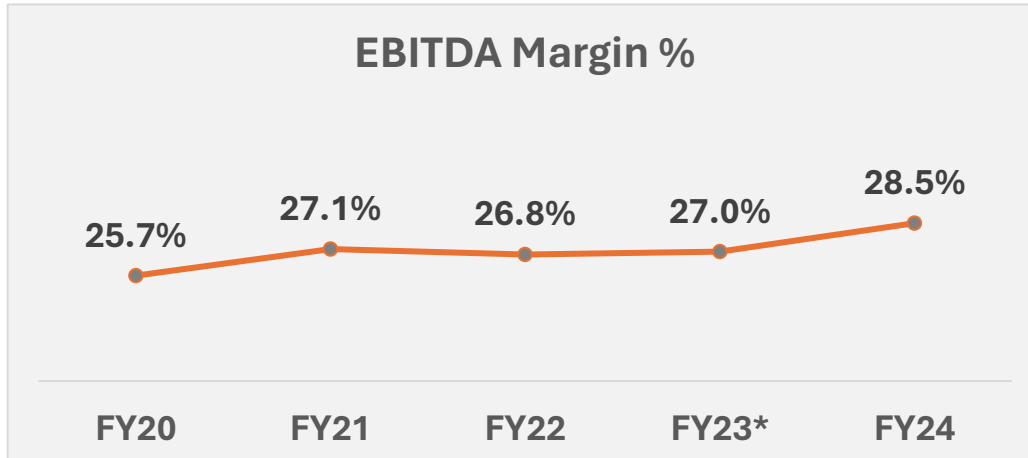
Key Financials	Particulars	FY20	FY21	FY22	FY23#	FY24	CAGR (FY20-FY24)
	Revenue from operations	559	585	860	1,173	1,358	25%
	Gross profit	309	333	472	622	762	25%
	EBITDA	144	159	231	317	388	28%
	PAT	80	86	142	191	243	32%

* Realisation/kg and EBITDA/kg for FY23 is computed after adjustment of prior period income of Rs. 23.75 Cr.

FY23 Revenues, Gross Profit, EBITDA and PAT are excluding a prior period income of Rs. 23.75 Cr.

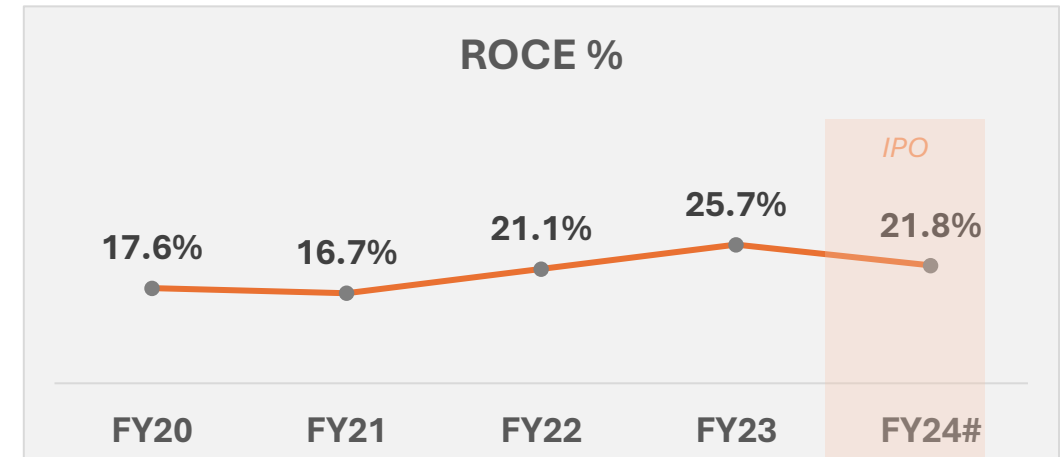
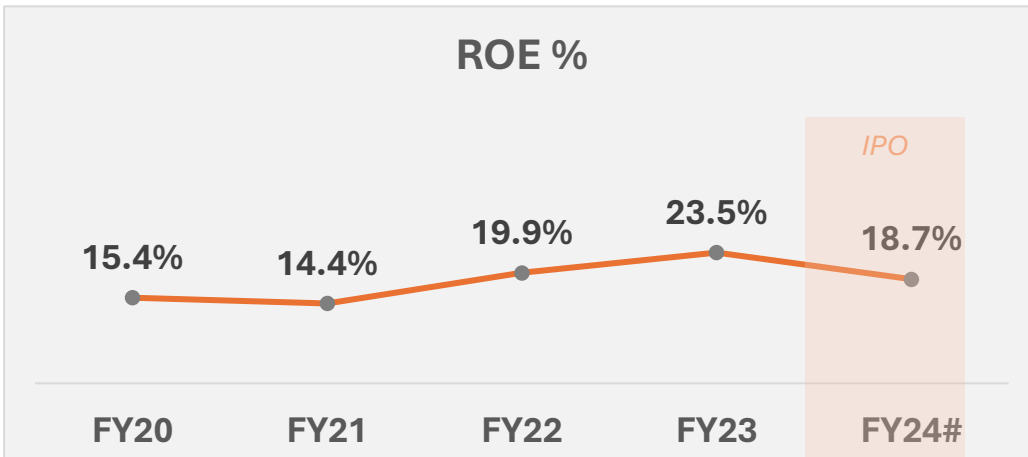
Consistency in Margins & Returns

Consistent Margin Performance



Robust Return Metrics

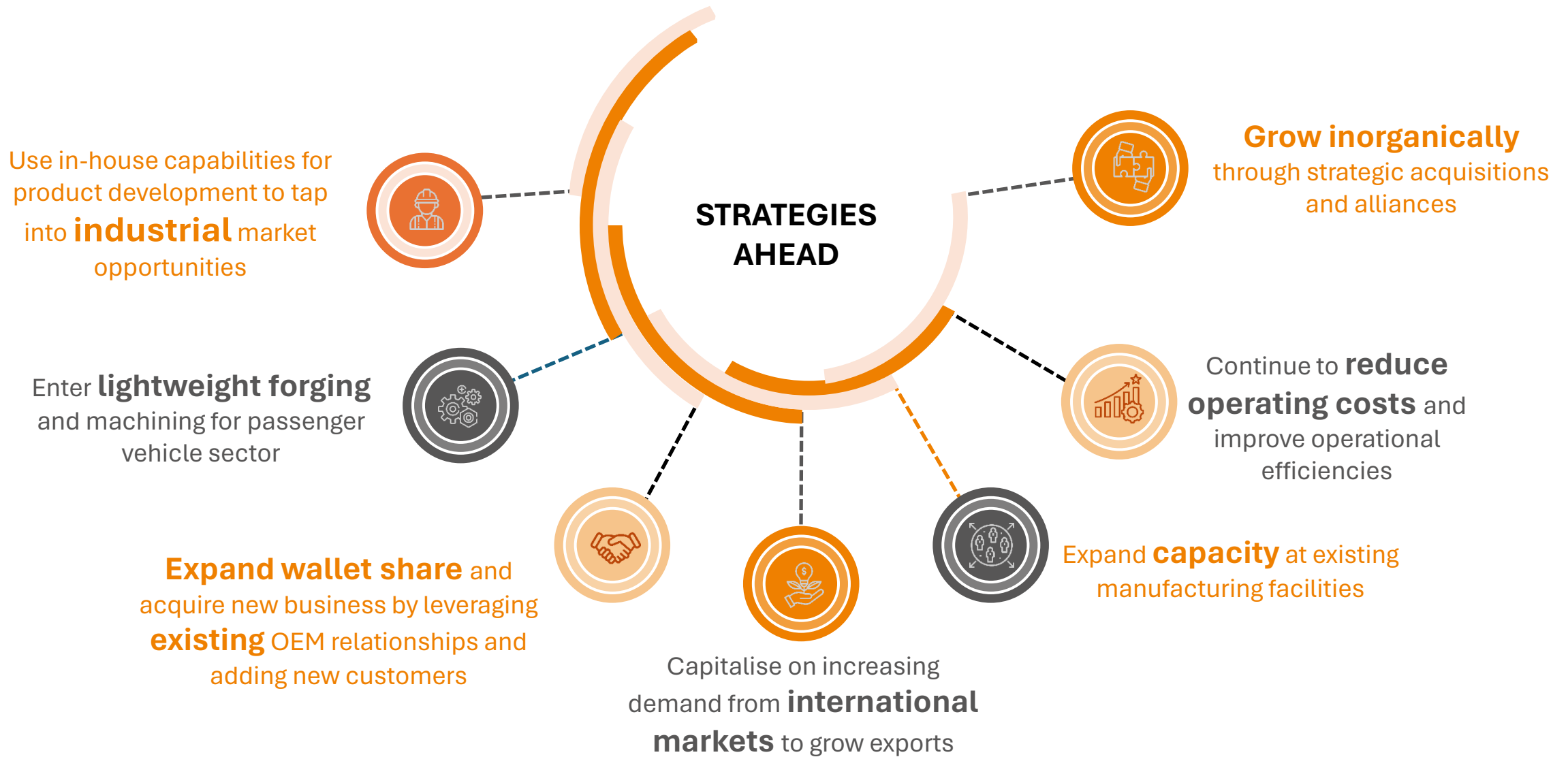
(FY24 has IPO funding impact)



* EBITDA and PAT margin for FY23 adjusted for prior period income.

RoE for FY24 after adjusting for FDRs and post-tax interest thereon was 20.6%. ROCE for FY24 after adjusting for FDRs and interest thereon, capital advances and CWIP was 26.9%

Strategic Priorities



Sustainability

- 1 **5 MW solar power** plants installed at manufacturing facilities
- 2 Implementation of **1,600 kVAR Hybrid APFC Panel** for improved power factor
- 3 Halogen lights replaced with **LED fixtures** for reduced electricity consumption
- 4 Heat Treatment Facility redesigned, **transitioning to cleaner LPG**
- 5 Oil-fired furnaces on forging lines replaced with **Electric Heating Systems**
- 6 Initiatives for **paper recycling** to promote waste reduction
- 7 New technology in Shot Blast Machines with **dust collection bags** to minimize dust pollution
- 8 Installed **rain-water collection & recharge system**. Recharged rainwater during 2024 - 2x of water withdrawn





Thank You

Contact Us



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