



May 15 , 2025

To

BSE Ltd, Corporate Relationship Department, Phiroze Jeejebhoy Towers, Dalal Street, Mumbai - 400 001	National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051
<b>Scrip Code: 544057</b>	<b>Symbol: HAPPYFORGE</b>

Dear Sir/Ma'am,

**Sub : Report of Monitoring Agency under Regulation 41 (4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Report of Monitoring Agency i.e. ICRA Limited for the quarter ended March 31, 2025.

Kindly take the same on record.

Thanking you,

**For Happy Forgings Limited**

**(Bindu Garg)**  
**Company Secretary &**  
**Compliance Officer**  
**M.N.-F6997**  
**BXXIX-2254/1, Kanganwal Road,**  
**P.O. Jugiana, Ludhiana, Punjab**  
**141120**

Regd Office :



+91 161 251 0421  
+91 161 251 0422



info@happyforgingsltd.com  
www.happyforgingsltd.com



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

India – 141120

## MONITORING AGENCY REPORT

**Name of the Issuer:** Happy Forgings Limited

**For quarter ended:** March 31, 2025

**Name of the Monitoring Agency:** ICRA Limited

**(a) Deviation from the objects of the issue:**

No deviation - the utilization of the issuance proceeds is in line with the objects of the issue.

**(b) Range of deviation:**

*Not Applicable*

**Declaration:**

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013. The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that we do not perceive any conflict of interest in such relationship/ interest while monitoring and reporting the utilization of the issue proceeds by the issuer. We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

**Signature:**

**PARUL  
GOYAL  
NARANG**

Digitally signed  
by PARUL GOYAL  
NARANG  
Date: 2025.05.09  
13:42:40 +05'30'

Parul Goyal Narang

Vice President & Head-Process Excellence

**Analyst:** Adrita Sadhukhan

**Quality Analyst:** Parul Narang

## 1. Issuer Details

**Name of the Issuer:** Happy Forgings Limited

**Name(s) of the promoters:**

Promoters
<i>Paritosh Kumar</i>
<i>Ashish Garg</i>
<i>Megha Garg</i>
<i>Paritosh Kumar Garg HUF</i>
<i>Ashish Garg &amp; sons HUF</i>
<i>Ayush Capital &amp; financial services P ltd</i>
<i>Garg Family Trust</i>

Source: Bse.com

**Industry/ sector to which it belongs:**

- Castings & Forgings

## 2. Issue Details

**Issue Period:** Opening date- December 19, 2023

Closing date- December 21, 2023

**Type of Issue:** Initial Public Offer

**Type of specified securities:** Equity shares

**IPO Grading, if any:** No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the offer.

**Issue Size (Rs. Crore):** 1,008.593 Crore

**With OFS portion:** 1,008.593 Crore

**Excluding OFS portion:** INR 400.000 Crore.

**Net proceeds:** INR 377.823 (Excluding Issue Related Expenses)

**3. Details of the arrangement made to ensure the monitoring of issue proceeds.**

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	<b>Yes</b>	-Peer Reviewed CA-Certificate -Confirmation from management -Bank statement of the proceeds account	No deviation observed.	
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	<b>Not Applicable</b>	As confirmed by the Issuer's management	No comments	
Whether the means of finance for the disclosed objects of the issue has changed?	<b>No</b>	As confirmed by the Issuer's management	No comments	
Is there any major deviation observed over the earlier monitoring agency reports?	<b>Not applicable</b>	No deviation observed.	No deviation observed.	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	<b>Not Applicable</b>	As confirmed by the Issuer's management	No comments	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	<b>Not Applicable</b>	As confirmed by the Issuer's management	No comments	
Are there any favorable events improving the viability of these object(s)?	<b>No</b>	As confirmed by the Issuer's management	As understood from the Issuer's management	
Are there any unfavorable events affecting the viability of the object(s)?	<b>No</b>	As confirmed by the Issuer's management	As understood from the Issuer's management	
Is there any other relevant information that may materially affect the decision making of the investors?	<b>No</b>	As confirmed by the Issuer's management	As understood from the Issuer's management	

**4. Details of the object(s) to be monitored.**
**(i) Cost of object(s)**

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Original cost (as per the offer document) [Rs. Crore]	Revised cost [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1	Purchase of equipment, plant and machinery	Prospectus	171.126	Not Applicable	No comments	-	-	-
2	Prepayment of all or a portion of certain outstanding borrowings availed by our Company	Prospectus	152.760	Not Applicable	No comments	-	-	-
3	General Corporate Purpose	Prospectus	53.937	Not Applicable	No comments	-	-	-
<b>Total</b>			<b>377.823</b>					

**(ii) Progress in the object(s)**

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Amount as proposed in the offer document [Rs. Crore]	Amount utilized [Rs. Crore]			Total unutilized amount [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors	
				As at the beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Purchase of equipment, plant and machinery	-Peer Reviewed CA-Certificate -Bank statement of the proceeds account	171.126	14.953	27.000	41.953*	129.173	INR 27 Crore has been utilized for reimbursement, covering expenses incurred during Q4FY24, Q1FY25 and Q2FY25 using its internal accruals		
2	Prepayment of all or a portion of certain outstanding borrowings availed by Company	Same as above	152.760	152.760	-	152.760	Nil	No comments		
3	General Corporate Purpose	Same as above	53.937	53.937	-	53.937	Nil	No comments		
<b>Total</b>			<b>377.823</b>	<b>221.650</b>	<b>27.000</b>	<b>248.650</b>	<b>129.173</b>			

**(iii) Deployment of unutilized proceeds**

S.N.	Type of instrument and name of the entity invested in	Amount invested [Rs. Crore]	Maturity date	Earning [Rs. Crore]	Return on Investment [%]	Market Value at the end of quarter [Rs. Crore]
<b>1</b>	Fixed Deposit with AU Bank	<b>76.502</b>	16 <sup>th</sup> January 2026	1.568	8.20%	78.070
<b>2</b>	Fixed Deposit with Yes Bank	<b>50.000</b>	26 <sup>th</sup> June 2025	1.758	7.75%	51.758
<b>3</b>	Fixed Deposit with Yes Bank	<b>2.705</b>	27 <sup>th</sup> June 2025	0.091	7.50%	2.796
<b>Total</b>		<b>129.207<sup>#</sup></b>		<b>3.417</b>		<b>132.624</b>

Source: As certified by Gupta Sharma &amp; Associates

<sup>#</sup>Includes INR 0.034 Crore pertains to interest income

## (iv) Delay in the implementation of the object(s)

Object(s)	Completion date			Comments of the Issuer's Board of Directors	
	As per the offer document	Actual	Delay [Number of days or months]	Reason for delay	Proposed course of action
<i>Purchase of equipment, plant and machinery</i>	<b>FY24 - FY25</b>	<b>On Schedule</b>	<i>N.A.</i>	<i>No Comments</i>	<i>No Comments</i>
<i>Prepayment of all or a portion of certain outstanding borrowings availed by Company</i>	<b>FY24</b>	<b>On Schedule</b>	<i>N.A.</i>	<i>No Comments</i>	<i>No Comments</i>
<i>General Corporate Purpose</i>	<b>FY24</b>	<b>On Schedule</b>	<i>N.A.</i>	<i>No Comments</i>	<i>No Comments</i>

Source: As confirmed by the Issuer's management

**5. Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document**

S.N.	Item Head	Amount [Rs. Crore]	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
1	PSPCL (Electricity Bill)	4.205	- Bank statement of the proceeds account - Peer Reviewed CA- Certificate	No Comments	
2	PSPCL (Electricity Bill)	3.549	- Bank statement of the proceeds account - Peer Reviewed CA- Certificate	No Comments	
3	Raw Material	2.014	- Bank statement of the proceeds account - Peer Reviewed CA- Certificate	No Comments	
4	Raw Material	18.789	- Bank statement of the proceeds account - Peer Reviewed CA- Certificate	No Comments	
3	Payment of Taxes, services, expenses	25.380	- Bank statement of the proceeds account - Peer Reviewed CA- Certificate	No Comments	
<b>Total</b>		<b>53.937*</b>			

\* The said utilization was made in Q3FY24 & Q4FY24