

September 14, 2026

Happy Forgings Limited: Change in limits

Summary of rating(s) outstanding

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding	Financial Sector Regulator [#]
Long-term/ Short-term – Fund-based	260.00	335.00	[ICRA]AA (Stable)/ [ICRA]A1+	RBI
Short-term – Fund-based – Bill Discounting	150.00	150.00	[ICRA]A1+	RBI
Long-term/ Short-term – Unallocated Limits	75.00	-	-	RBI
Total	485.00	485.00		

*Instrument details are provided in Annexure I

[#]SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the company.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Auto Components
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of HFL. As on March 31, 2026, the company had one subsidiary, which was incorporated on March 16, 2024 (see Annexure-II for details).

About the company

Incorporated in 1979, Happy Forgings Limited manufactures forged and machined transmission along with engine components that are mainly supplied to the automotive sector. Its product range includes automotive crankshafts, steering knuckles, transmission gears, pinions, shafts, and forged/machined components for the Indian Railways. It has a total forging capacity of around 1,48,000 MT (hammer and press forging combined) and a machining capacity of around 68,000 MT, with ongoing brownfield and greenfield capex underway in FY2027 to incrementally enhance both forging and machining capacities, particularly in high-precision and value-added segments. The company supplies directly to leading OEMs in India as well as through tier-I component suppliers, with a gradual increase in export contribution and non-automotive applications.

HFL was incorporated in 1979 by Mr. Paritosh Kumar Garg as a private limited company, which was converted into a public limited company in 1988. The company has about four decades of experience in catering to the automotive, tractor, railway, earth moving and pipe fitting industries, with increasing diversification into industrial and export markets in recent periods. Its

day-to-day operations are overseen by Mr. Ashish Garg (Managing Director, son of Mr. Paritosh K. Garg), who has been instrumental in enhancing HFL's share of business with various OEMs and driving expansion into higher value-added components. MOPE Investment Advisors Private Limited, a private equity player, invested Rs. 200.0 crore as equity in HFL in FY2019 (shareholding held under Vistra ITCL (India) Limited), acquiring a stake of 11.76% in the process. The company subsequently came out with an initial public offer in 2023, leading to a more diversified ownership structure while the promoter group continues to retain management control (78.5% shareholding as of March 31, 2026).

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years							
FY2027				FY2026		FY2025		FY2024			
Instrument	Type	Amount rated (Rs. crore)	Sep 14, 2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based	Long-term/ Short-term	335.00	[ICRA]AA (Stable)/ [ICRA]A1+	Jul 07, 2026	[ICRA]AA (Stable)/ [ICRA]A1+	Jul 21, 2025	[ICRA]AA (Stable)/ [ICRA]A1+	July 18, 2024	[ICRA]AA (Stable)/ [ICRA]A1+	Feb 15, 2024	[ICRA]AA (Stable)/ [ICRA]A1+
						Sep 30, 2025	[ICRA]AA (Stable)/ [ICRA]A1+				
						Mar 17, 2026	[ICRA]AA (Stable)/ [ICRA]A1+				
Fund-based – Bill Discounting	Short-term	150.00	[ICRA]A1+	Jul 07, 2026	[ICRA]A1+	Sep 30, 2025	[ICRA]A1+				
						Mar 17, 2026	[ICRA]A1+				
Unallocated Limits	Long-term/ Short-term	-	-	Jul 07, 2026	[ICRA]AA (Stable)/ [ICRA]A1+	Jul 21, 2025	[ICRA]AA (Stable)/ [ICRA]A1+	July 18, 2024	[ICRA]AA (Stable)/ [ICRA]A1+		
						Sep 30, 2025	[ICRA]AA (Stable)/ [ICRA]A1+				
						Mar 17, 2026	[ICRA]AA (Stable)/ [ICRA]A1+				

Complexity level of the rated instrument

Instrument	Complexity indicator
Long-term/ Short-term – Fund-based	Simple
Short-term – Fund-based – Bill Discounting	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial Sector Regulator [#]
NA	Fund-based Limits	NA	NA	NA	335.00	[ICRA]AA (Stable)/ [ICRA] A1+	RBI
NA	Bill Discounting	NA	NA	NA	150.00	[ICRA] A1+	RBI

Source: Company

[#]SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company name	HFL Ownership	Consolidation approach
Happy Forgings Limited	100.00% (rated entity)	Full Consolidation
HFL Technologies Private Limited	100.00%	Full Consolidation

Source: Company

ANALYST CONTACTS

Jitin Makkar

+91 124 4545 368

jitinm@icraindia.com

Srikumar Krishnamurthy

+91 44 4596 4318

ksrikumar@icraindia.com

Vidhi Thakur

+91 124 4545 306

vidhi.thakur@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

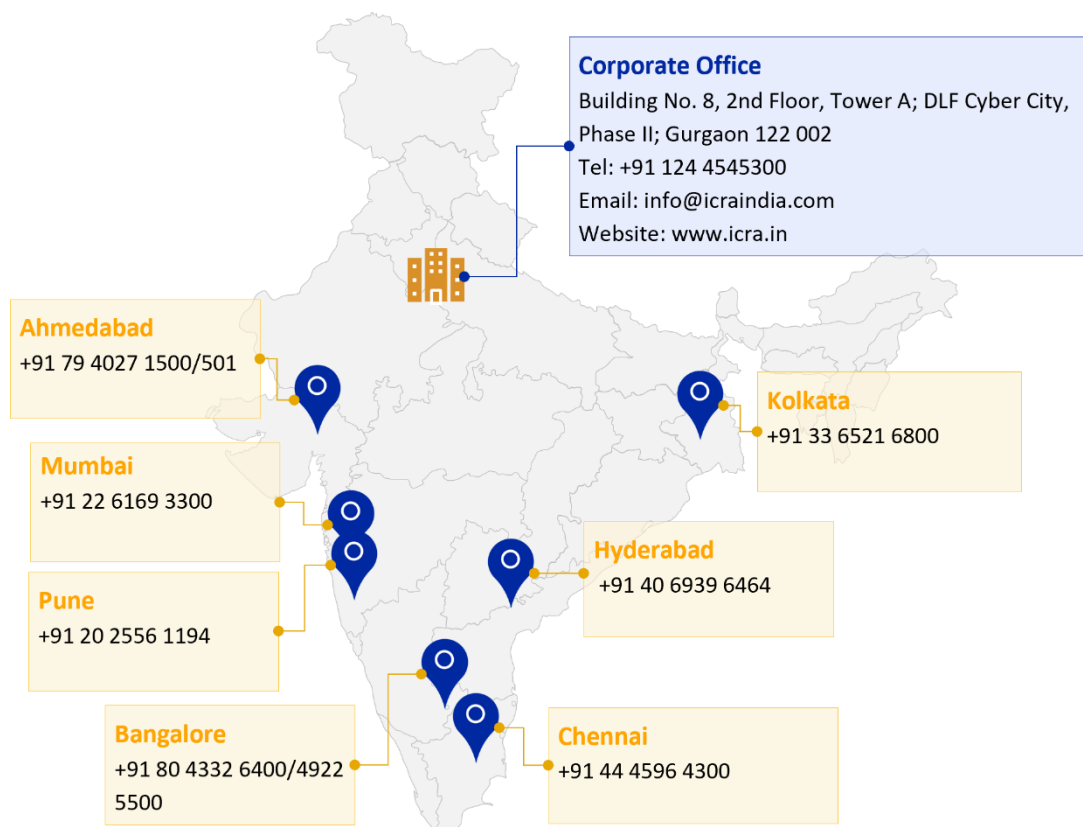


Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.