Hilton Metal Forging Ltd.™

GOVT. RECOGNIZED EXPORT HOUSE

CIN : L 28900 MH 2005 PLC 154986

CORPORATE OFFICE :
701, PALMSPRING, PALMCOURT COMPLEX,
LINK ROAD, MALAD (WEST),
MUMBAI - 400 064.

Certificate : 44 100 021868-E3

TÜVRheinland®
Precisely Right.

TEL. : 91 - 22- 4042 6565
FAX : 91 - 22 - 4042 6566
E-MAIL : info@hiltonmetal.com
VISIT US AT : www.hiltonmetal.com

30th September, 2016

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 Script Code : 532847	National Stock Exchange of India Limited 5th Floor, Exchange Plaza, Bandra Kurla Complex Bandra(East) Mumbai-400051 Script: HILTON

Sub: Disclosure on voting results of 11th Annual General Meeting of Hilton Metal Forging Limited

Dear Sir/Madam,

The Eleventh Annual General Meeting ('AGM') of the Members of the Company was held on 28th September 2016. The requisite quorum was present for the meeting. The details of the resolutions passed are as follows:

Sr. No	Resolutions	E-voting, Ballot voting in lieu of E-voting & Ballot voting at AGM results
1	To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon.	Passed by majority
2	To re-appoint Mrs. Diksha Malhotra who retires by rotation.	Passed by majority
3	To ratify the appointment of M/s R K Chaudhary & Associates, Chartered Accountants as the Statutory Auditors and fixing their Remuneration	Passed by majority
4	To approve remuneration of M/s. NNT & Co, Cost Accountants for the financial year ending 31st March, 2017 for conducting Cost Audit of all applicable products	Passed by majority
5	To appoint Mr. Rajiv Sushil Verma as the Independent Director of the Company for a tenure of five years	Passed by majority

Please find enclosed the following:

1. Combined scrutinizer report of the voting results of the 11th Annual General Meeting of the Company.

2. Voting Results as required pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Annual Report for the financial year 2015-16 as required under Regulation 34 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per provisions of the Companies Act, 2013.

Please take the same on your record and acknowledge the receipt.

Thanking you,

Yours sincerely,

For Hilton Metal Forging Limited

Suryakant Mayani
Compliance Officer

Encl: as above

HILTON
METAL FORGING LTD.

Annual Report 2015-2016

BOARD OF DIRECTORS

Shri Yuvraj Malhotra	Chairman and Managing Director
Shri Navraj Malhotra	Whole time Director
Shri Joseph Mckay	Director
Shri Harmohindar Singh Dhingra	Director
Shri Manoj Kumar More	Director
Shri Sanjay Jain	Director
Shri Navin Chokshi*	Director
Smt Diksha Malhotra	Director
Shri Rajiv Verma*	Dircetor

**Appointed as on 07th April, 2016*

COMPANY SECRETARY

#Ms. Divya Mer

#Appointed as on 01st June, 2016

CHIEF FINANCIAL OFFICER

Mr. Rohit Pandey

STAUTORY AUDITORS

M/s R K Chaudhary & Associates
Chartered Accountants
3rd Floor, Kamanwala Building
Sir P M Road, Fort,
Mumbai 400 001

COST AUDITORS

M/s NNT & Co
Cost Accountants
602 Silver Matru Prabha
Cama Lane, Kirol Road,
Ghatkopar West, Mumbai 400 086

REGISTRAR & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt Ltd
Unit No 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool
Andheri East, Mumbai 400 072

INTERNAL AUDITORS

M/s Vikas Jindal & Associates
Chartered Accountants
B 153 Ostwal Ornate
Jesal Park Bhayander East, Dist Thane 401105

REGISTERED OFFICE

701 Palm Spring, Link Road,
Malad West, Mumbai 400 064

PLANT

Plot No 28, 29
Shah and Mehta Industrial Estate,
Village Ghonsai, Taluka Wada, Dist Thane

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HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986
REGD. OFFICE: 701, PALM SPRING, LINK ROAD, MALAD (WEST) MUMBAI-400064
EMAIL:SECRETARIAL@HILTONMETAL.COM; TEL NO:022-4042 6565

NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the Members of Hilton Metal Forging Limited will be held on Wednesday, 28th September, 2016 at 701, Palm Spring, Link Road, Malad (West), Mumbai-400064 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2016 and the profit & loss account for the year ended on that date along with the schedules thereon and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mrs. Diksha Malhotra (DIN 01393249) who retires by rotation and being eligible, offers herself for re-appointment.

3. To ratify the appointment of Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an Ordinary Resolution:

   "**RESOLVED THAT,** that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. R K Chaudhary & Associates, Chartered Accountants (Firm Registration No. 35487), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twelfth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT, pursuant to the provisions of Section148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Board of Directors of the Company for payment of remuneration of ₹ 55,000/-(Rupees Fifty Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2017, to Ms. Nikita Talati of M/s NNT & Co., Cost Auditor, for conducting Cost Audit of all applicable products, be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors ofthe Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Mr. Rajiv Sushil Verma (DIN No. 07486560), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, is not liable to retire by rotation, and to hold office for 5 (five) consecutive years for a term up to date of Annual General Meeting for FY 2020-21."

For and On Behalf of Board of Directors

Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
701, Palm Spring
Link Road,Malad (West),
Mumbai – 400 064.

Date: 05/08/2016
Place: Mumbai

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Proxy Form and Attendance Slip are enclosed. Proxies, duly stamped and executed, must reach at the Registered Office of the Company not less than 48 Hours before the commencement of the Annual General Meeting.
3. A person can act as proxy on behalf of members not exceeding fifty and further a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday 19th September, 2016 to Wednesday 28th September, 2016 (both days inclusive).
5. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the Meeting is annexed hereto.
6. The information required to be provided under the SEBI (Listing Obligations and DisclosureRequirements) Regulations, 2015 and the Secretarial Standards on General Meetingsin respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice.
7. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Membersholding shares in physical form can submit their PAN details to the Company.
8. Members are requested to intimate to Sharex Dynamic (India) Private Ltd, Registrar and Transfer Agents of the Company their e-mail address for sending notice /documents through e-mail as per directives issued by Government of India, Ministry of Corporate Affairs , vide Circular No 17/2011 dated 21.04.2011 Members are requested to address all correspondences including dividend matters to the Registrar and Transfer Agents, Sharex Dynamic (India) Private Ltd, Unit 1, Luthra Industrial Premises, Safed Pool, Andheri – Kurla Road, Andheri – East, Mumbai - 400 072, Email-henry@sharexindia.com .
9. Members whose shareholding is in the electronic mode are requested to notify immediately the change in their address, bank mandates and e-mail IDs to their respective depository participants. Member holding shares in physical form are requested to intimate any change in address, bank mandates and e-mail IDs immediately to Company/ Sharex Dynamic (India) Private Ltd.
10. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2007-08, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has mentioned the details of unpaid and unclaimed dividend amounts lying with the Company in the report on Corporate Governance and the same as been uploaded on the website of the Company. Members who have not encashed the dividend so far in respect of the financial years from 2008-09 to 2015-16 are requested to write to RTA who shall arrange to send the unclaimed dividend amount.
11. As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in electronic formmust submit the forms to their respective Depository Participants.
12. Members are requested to intimate to Sharex Dynamic (India) Private Ltd, Registrar and Transfer Agents of the Company their e-mail address for sending notice /documents through e-mail as per directives issued by Government of India, Ministry of Corporate Affairs , vide Circular No 17/2011 dated 21.04.2011 Members are requested to address all correspondences including dividend matters to the Registrar and Transfer Agents, Sharex Dynamic (India) Private Ltd, Unit 1, Luthra Industrial Premises, Safed Pool, Andheri – Kurla Road, Andheri – East, Mumbai - 400 072, Email-henry@sharexindia.com .
13. Members are requested to bring their copies of Annual Report to the Meeting. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote. Members /proxies attending the meeting should bring the Attendance Slip, duly filled in for handing over at the venue of the meeting.
14. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to Company at its' Registered Office at least 7 days before the date of the meeting, so that the required information to the extent possible can be made available at the meeting.
15. Relevant documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection for eligible members on all working days except on Saturdays, and holidays between 11.00 a.m. to 01.00 p.m. upto the date of the General Meeting.
16. Electronic copy of the Notice of the 11th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Form and Proxy Form and Annual Report for 2016 are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the

Notice of the 11th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

17. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 11th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Instruction for Members for voting electronically is as under:

In case of members receiving e-mail:

i. Log on to the e-voting website www.evotingindia.com

ii. Click on "Shareholders" tab.

iii. Now, select the "COMPANY NAME" i.e. The Hilton Metal Forging Limited, from the drop down menu and click on"SUBMIT".

iv. Now Enter your User ID:

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client.

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company. (6 Digit Alpha-Numeric).

v. Next enter the Image Verification as displayed and Click on Login.

vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
Permanent Account Number (PAN*)	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the First two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number R12345 then enter RA00R12345 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the detailsare not recorded with the depository or company please enter the **number of shares held by you as on the cutoff date** in the **Dividend Bank details field.**

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for the relevant <Company Name> i.e. Hilton Metal Forging Limited, on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to viewthe entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on "Forgot Password"& enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals,HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate.
- They should submit a scanned copy of the RegistrationForm bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create auser who would be able to link the account(s) whichthey wish to vote on.
- The list of accounts should be mailed to helpdesk evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) To sl. no. (xvii) Above to cast vote.

(B) The voting period begins on Sunday, 25th September, 2016 at 10.00 a.m. and will end on Tuesday, 27th September, 2016 at 5.00 p.m. During thisperiod shareholders' of the Company, holding shares eitherin physical form or in dematerialized form, as on the cutoffdate of (record date) of Thursday, 21st September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting,you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

(D) Other Instructions

i. Mr. Haresh Sanghvi of M/s H P Sanghvi & Co., Practicing Company Secretaries (Membership No. 2259) has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the remote e-voting and the voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

ii. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

iii. Members who do not have access to the e-voting facility may send their assent or dissent in writing in respect of the resolutions as set out in this Notice, through the duly completed Ballot Form. directly to the Scrutinizer so as to reach the Scrutinizer, Mr. Haresh Sanghvi, Practicing Company Secretary (Membership No. 2259), at the Registered Office of the Company not later than Tuesday, 27th September, 2016 at 6.00 PM IST. The instructions for Ballot Form are given on the reverse of the said Form.

iv. Ballot Form received after Tuesday, 27th September, 2016 at 6.00 PM IST will be treated as invalid.

v. A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid. Facility of voting through either electronic voting system or Ballot / Poll, shall also be available at the Meeting. Members holding shares as on cut off date i.e. 21st September, 2016 and attending the Meeting, who have not already cast their vote by remote e-voting or through Ballot Form shall be able to exercise their right at the Meeting.

vi. The Members who have cast their vote by remote e-voting or by Ballot Form prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again at the Meeting.

vii. The Results declared along-with the Scrutinizer's Report shall be placed on the Company's website www.hiltonmetal.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the National Stock Exchange of India Limited and BSE Limited.

For and On Behalf of Board of Directors

Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
701, Palm Spring, Link Road,Malad (West),
Mumbai – 400 064.

Date: 05/08/2016
Place: Mumbai

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 4:

The Board, on the recommendation of the Audit Committee, has approved the Re-appointment and remuneration of Ms. Nikita Talati of M/s NNT & Co., Cost Accountant, Mumbai to conduct the Cost Audit of the Cost records of the company for the financial year ending 31st March, 2017.

In accordance with the provisions of Section 148 of The Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the company.

Hence, the Board commends the resolution as set out of Item no.4 of the Notice for the approval of the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO.5

The Board of Directors, pursuant to the provisions of Section 161 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), 2015 , appointed Mr. Rajiv Sushil Verma as an Additional (Independent) Director of the Company with effect from 7th April, 2016.

In terms of Section 161(1) of the Act, Mr. Verma holds office only upto the date of the forthcoming Annual General Meeting. A notice under Section 160(1) of the Act has been received along-with the deposit of requisite amount signifying its intention to propose candidature of Mr. Verma for the office of Director of the Company.

Section 149 of the Act inter alia stipulates the criteria of independence that a company should propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

Mr. Verma, aged 47 years, has done Bachelor of Engineering. He has 26 years of experience in Engineering and Technology field. This enables him to drive operational excellence across the breadth of responsibilities. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Verma is appointed as an Independent Director

Mr. Verma is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.The Company has also received declaration that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. Verma fulfills the conditions for his appointment as an Independent Director as specified in the Act and SEBI (LODR) Regulations, 2015. He is independent of the Management.

Brief resume of Mr. Verma as stipulated under Regulation 36(3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the notice forming part of the Annual Report.

Hence, the Board commends the Ordinary Resolutions set out at Item No. 5 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

For and On Behalf of Board of Directors

Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
701, Palm Spring, Link Road,Malad (West),
Mumbai – 400 064.

Date: 05/08/2016
Place: Mumbai

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Mrs. DikshaYuvraj Malhotra	Mr. Rajiv Sushil Verma
Nationality	Indian	Indian
Date of Birth	13/09/1968	10/09/1967
Qualification	B.Com	B.E
Date of Appointment	25/03/2015	07/04/2016
Expertise	11 years of experience in marketing forging products in international market	26 years of experience in Engineering and Technology field
Directorships in other public companies as on 31st March, 2016	NIL	NIL
Chairman / Member of any other Committees as on 31st March, 2016	NIL	NIL
Shareholding in the Company as on 31st March, 2016 (Equity Share of ₹ 10/- Each)	6,72,812 Equity Shares	NIL
Relationship between directors inter-se	Wife of Mr. Yuvraj Malhotra	Not Related

For and On Behalf of Board of Directors

Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
701, Palm Spring
Link Road,Malad (West),
Mumbai – 400 064.

Date: 05/08/2016
Place: Mumbai

DIRECTORS' REPORT

To

The Members

Hilton Metal Forging Limited

We are please to present Eleventh Annual Report of the company and the Audited Statement of account for the year ended 31st March 2016. Summary of financial results is given below.

1. FINANCIAL HIGHLIGHTS AND REVIEW OF OPERATIONS

(₹ in Lakhs)

Particulars	Year Ended March 2016	Year Ended March 2015
Total Income	6718.08	9226.78
Total Expenditure	6854.67	9066.73
Profit before Tax	(136.59)	160.05
Less: Current Tax /Deferred Tax	21.81	67.49
Profit after Tax	**(158.40)**	**92.56**
Balance Brought forward	982.71	962.63
Balance Available for Appropriation	824.31	1055.19
Appropriation :		
Proposed Dividend for the Financial year	-	31.11
Corporate Dividend Tax	-	6.37
Transferred to General Reserves	-	35.00
Surplus retained in Profit & Loss account	824.31	982.71

The performance of the company during the year has been adversely affected due to pressure on margin caused by higher input cost and un-remunerative selling price and slackness in demand.

2. DIVIDEND

In view of the losses, the Board does not propose any dividend for the year ended 31st March, 2016. The Board does not propose to transfer any amount to the General Reserves for the aforesaid financial year.

3. PUBLIC DEPOSITS

During the year, the Company has not accepted any deposits from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

4. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Company does not have any Subsidiary, Joint venture or Associate Company.

5. MATERIAL CHANGES AND COMMITMENTS

There are no adverse material changes or commitments occurred after March 31, 2016 which may affect the financial position of the Company or may require disclosure.

6. COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT

As per the observation of Secretarial auditor, the vacancy caused by the resignation of an Independent Director was to be filled in by the Company within 3 months from the date of the resignation i.e. 28th July, 2015, however the same was filled by 7th April, 2016. The Company was trying to identify and appoint a suitable candidate on its Board, whose presence can benefit the Company in particular and the shareholders at large. Since, it was difficult to identify the right person on the Board on the Company and hence there was delay in appointment of Independent Director.

In addition to above, the Secretarial Auditor observed non-disclosure of all such events or information on the Company's website as required pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

However, in response to the observation of the Secretarial Auditor, the Company is in process of updating its website by disclosing details of all such events and information as required pursuant to the said regulations at earliest.

7. EXTRACT OF ANNUAL RETURN

As per provision of Section 134 of the Companies Act, 2013, the details forming part of the extract of the Annual Return is attached to this Report as **"Annexure I**" in Form MGT-9

8. DIRECTORS AND KMP

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, Mrs. Diksha Malhotra, Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and offers herself for re-appointment. The Board recommends her re-appointment.

The Board of Directors, pursuant to the provisions of Section 161 of the Companies Act, 2013, has appointed Mr. Rajiv Sushil Verma as an Additional (Independent) Director of the Company with effect from 7th April, 2016, subject to the approval of shareholders at the forthcoming Annual General Meeting. A notice under Section 160(1) of the Act has been received along-with the deposit of requisite amount signifying its intention to propose Mr. Verma as a Director.

Mr. Verma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Also Sec 149 of the Act inter alia stipulates the criteria of independence that a company should propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation. In the opinion of the Board, his appointment is appropriate and in the best interest of the Company.

As stipulated under the Regulation 36(3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, brief resume of the Directors proposed to be appointed/re-appointed are given in the Notice convening 11th Annual General Meeting.

The above named Directors have furnished their respective declarations in Form DIR-8 pursuant to the provisions of Section 164(2) of the Companies Act 2013 read with Rule 14 (1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Further, all Independent Directors have given their respective declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

Ms. Surabhi Powar has tendered her resignation from the post of Company Secretary and Compliance Officer w.e.f 1st May, 2016. The vacancy caused by her resignation was filled by the appointment of Ms. Divya Mer w.e.f 1st June, 2016.

Number of Meetings of the Board

During the year, four Board Meetings and one meeting of Independent Directors were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act 2013. The details thereof are given in the Report on Corporate Governance.

Committees of the Board

During the year, your directors have constituted and renamed wherever required, the following committees of the Board in accordance with the requirements of the Companies Act, 2013 and the Listing Agreement. The composition, terms of reference and other details of all Board level committees have been elaborated in the Corporate Governance Report annexed to this report.

1. Audit Committee

The Committee comprises of three non-executive Independent Directors as its members. The Chairman of the Committee is an Independent Director. The audit committee assist the Board in the dissemination of the financial information and in overseeing the financial and accounting processes in the Company. During the year, there were no instances where the Board had not accepted the recommendation of the Audit committee.

2. Nomination and Remuneration Committee

The Committee comprises of three non-executive Independent Directors as its members. The Chairman of the Committee is an Independent Director.

The Board had on the recommendation of the Nomination and Remuneration Committee framed the Nomination and Remuneration Policy to comply with the provisions of Section 178 of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement. The Company's Nomination and Remuneration Policy has been is also available on Company's' website.

3. Stakeholders' Relationship Committee

The Committee comprises of two non-executive Independent Directors and one executive Director as its members. The Chairman of the Committee is a Non executive Independent Director.

The Stakeholders' Relationship Committee considers and resolves the grievances of the security holders of the Company.

Whistle Blower Policy and Vigil Mechanism

The Company has adopted a Whistle Blower Policy and the Vigil Mechanism with a view to provide for adequate safeguards against victimization of the stakeholders who us such mechanism and provide for direct access to the Management. The policy can be accessed on the Company's website www.hiltonmetal.com

Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees.

At the meeting of the Board all the relevant factors, that are material for evaluating the performance of individual Directors, the Board and its various committees were discussed in detail. Various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc. were taken into consideration.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the independent Directors was carried out by the entire Board.

The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on 31st March, 2016 and confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis;

e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. RISK MANAGEMENT

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management assessment and minimization procedures

11. DETAILS ABOUT CSR COMMITTEE, POLICIES, IMPLEMENTATION AND INITIATIVES

The Company does not fall under the provisions of Section 135 of Companies Act, 2013. Hence it does not have to comply with the CSR Rules.

12. REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 & 53 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following have been made part of the Annual Report and are enclosed/annexed to this report:

- Management Discussion and Analysis
- Report on Corporate Governance
- Auditors' Certificate regarding compliance of conditions of Corporate Governance
- MD/CEO/CFO Annual certification of financial reporting and Internal Controls
- Declaration on compliance with code of conduct.

13. STATUTORY AUDITORS AND THEIR REPORT:

The Shareholders of the Company in their Ninth Annual General Meeting held on 27th September, 2014 had accorded their approval pursuant to the provisions of Sections 139, 141 and other applicable provisions of Companies Act, 2013 and Rules made there under to appoint M/s. R K Chaudhary & Associates, Chartered Accountants, Mumbai, (Membership No 35487),as the Statutory Auditor of the Company for the tenure of three years commencing from then, (subject to ratification by the Members at every AGM). Accordingly, a resolution seeking ratification of appointment is included in notice conveying the Annual general Meeting.

The Auditors' Report to the Shareholders for the year under review does not contain any reservation, qualification or adverse remark.

14. COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of various activities are required to be audited and the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification.

Your Directors had, on the recommendation of the Audit Committee, appointed Ms. Nikita Talati of M/s NNT & Co., Cost Accountants, to audit the cost accounts of steel products of the Company on a remuneration of ₹ 55,000/- (Rupees Fifty Five Thousand only) for the year 2016-17, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The cost audit report for the financial year 31st March 2016 does not contain any reservation, qualification or adverse remark.

15. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. H P Sanghvi, a firm of Company Secretaries in practice (C.P. No. 3675) to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith as **'Annexure II'** to this Report.

As per the observation of Secretarial auditor, the vacancy caused by the resignation of an Independent Director was to be filled in by the Company within 3 months from the date of the resignation i.e. 28th July, 2015, however the same was filled by 7th April, 2016. In addition to above, the Company has not disclosed the details of all such events and information on its website as required pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 during the period under review.

16. INTERNAL AUDIT

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, on the recommendation of the Audit Committee reappointed M/s Vikas Jindal & Associates as an Internal auditor of the Company. the Internal Auditor submits his reports on quarterly basis to the Audit Committee.

Based on the report of Internal audit, management undertakes corrective action in their respective areas and thereby strengthens the controls.

17. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to the financial statements. The Audit Committee evaluates the efficiency and adequacy of the financial control system in the company and strives to maintain the standards in the Internal Financial Control.

18. DISCLOSURES

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:

The Company has not given any guarantee or advanced any loans pursuant to the provisions of Section 186 of Companies Act, 2013. Details of investments made by the Company have been given in the Financial Statements.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

SHARE CAPITAL:

The Company has neither issued any Sweat Equity Shares or Bonus shares nor have bought back any of its securities nor have provided any stock option scheme to the employees during the year under review.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated. Under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as **'Annexure-A'**.

ENVIRONMENT AND POLLUTION CONTROL:

Top priority continues to be given to preservation of the environment by the company. To combat pollution and strengthen the area ecology, considerable emphasis is placed on plantation of fragrant and shady trees. We are cautious of preserving water through recycling and rainwater harvesting to the extent possible. The company posses the required environmental clearance from the respective pollution control boards and do comply with the relevant Legislation

The Company is well aware of its responsibility towards a better and clean environment. Our efforts in environment management go well beyond mere compliance with statutory requirements. The Company has always maintained harmony with nature by adopting eco-friendly technologies and upgrading the same from time to time incidental to its growth programs.

PARTICULARS OF EMPLOYEES AND REMUNERATION:

Disclosures pertaining to remuneration and other details are required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 is forming part of the Directors' Report for the year ended 31st March, 2016 and is attached to this Report and marked as **"Annexure III"**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Management Personnel) Rules, 204, there are no employees drawing remuneration in excess of the limits set out in the said rules.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN

Company has Sexual Harassment Policy in place and available on Company's intranet portal. During the year under review, there were no complaints filed or received from any of the employee.

19. STATUTORY COMPLIANCE

The Company has complied with all the statutory requirements. A declaration regarding compliance of the provisions of the various statutes is also made by the Managing Director at each Board Meeting. The Company ensures compliance of the ROC, SEBI Regulations and provisions of the Listing Agreement.

20. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant and material orders passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

21. ACKNOWLEDGEMENTS:

Your Directors would like express their sincere appreciation of the positive Co-operation received from the Governments and bankers. The Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers, workers and staff of the company resulting in the successful performance during the year.

The Board also takes this opportunity to express its deep gratitude for the continued co operation and support received from its valued shareholders. The Directors express their special thanks to Mr. Yuvraj Malhotra, Chairman and Managing Director for his untiring efforts for the progress of the Company.

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN:00225156

Place: Mumbai
Dated: 05/08/2016

ANNEXURE-A

Prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

A. CONSERVATION OF ENERGY

(i) Steps taken by the company on conservation of energy

Energy conservation is priority area for the Company, Energy conservation measures taken during the year included:

1. Systematic maintenance of furnaces to ensure optimum performance.
2. Overall Equipment Effectiveness improvement.
3. Load Management to achieve unity power factor.
4. Installed translucent sheets for natural lights.
5. Energy saving by optimum utilization of furnaces
6. Cycle time reduction of forging units.
7. Use energy efficient motors in various equipments.
8. Awareness and training programs for employees

(ii) Steps taken by the company for utilizing alternate sources of energy including waste generated

With proper planning and awareness, consumption of electricity and diesel was reduced compared to previous year. Proposed work area includes furnaces, water cooling plants, servo control voltage stabilizers for lighting, compressed air systems and selection of energy efficient plant and machinery.

(iii) Capital investment on energy conservation equipment

The Company has invested around ₹ 3.05 Lakhs during the FY 2015-16 to conserve the energy.

B. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION:

(i) Efforts made towards technology absorption, adaption and innovation:

Sustained efforts are made to reduce the consumption of raw material by using versatile designing and multiple lay-out of dies.

(ii) Benefits derived as a result of the above:

Reduction in consumption of raw material.

(iii) No technology was imported in the last three years

(iv) Expenditure incurred on Research and Development:

The Company has incurred around ₹ 33 Lakhs during the FY 2015-16 on Research and Development during the FY 2015-16.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Our Foreign Exchange Earnings through exports was to the tune of ₹ 4612.58 Lakhs.

The Company's outgo of foreign exchange activities amounted to ₹ 27.58 Lakhs.

Particulars of Foreign Exchange earnings and the utilization during the period appears in Schedule XVI to the accounts.

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN:00225156

Place: Mumbai
Dated:05/08/2016

ANNEXURE-I

FORM NO. MGT-9

Extract of the Annual Return as on the financial year ended March 31st, 2016

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS

i. **CIN:** L28900MH2005PLC154986

ii. **Registration Date:** 21st July 2005

iii. **Name of the Company**: HILTON METAL FORGING LIMITED

iv. **Category:** Company Limited by shares

Sub-Category of the Company: Indian Non-Government Company

v. **Address of the Registered Office and contact details**:

701, Palm Spring, Link Road, Mumbai- 400064

Tel.: 022-4042 6565, Fax: 022-40426566

Email: secretarial@hiltonmetal.com

Website: www.hiltonmetal.com

vi. **Whether Listed Company**: Yes, Listed on BSE and NSE.

vii. **Name, Address and Contact details of Registrar and Transfer Agent**:

M/s. Sharex Dynamic (India) Private Limited.

Unit 1, Luthra Industrial Premises

Safed Pool, Andheri – Kurla Road

Andheri – East, Mumbai - 400 072

Ph: 022 – 28515606/5644.

Fax :022-28512885

Website: www.sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES

All the business activities contributing 10 % or more of the total turnover of the Company

Sr. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the Company
1.	Forging and Metal	28910	100%

III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
	NIL				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2015)				No. of shares held at the end of the year (As on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	**6477799**	**-**	**6477799**	**52.06**	**6477799**	**-**	**6477799**	**52.06**	**-**
b) Central Govt	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
c) State Govt (s)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
d) Bodies Corp.	**68400**	**-**	**68400**	**0.55**	**68400**	**-**	**68400**	**0.55**	**-**
e) Banks / FI	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
f) Any Other….	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sub-total (A) (1)	**6546199**	**-**	**6546199**	**52.61**	**6546199**	**-**	**6546199**	**52.61**	**-**
(2) Foreign									

Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2015)				No. of shares held at the end of the year (As on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other –Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	**6546199**	-	**6546199**	**52.61**	**6546199**	-	**6546199**	**52.61**	-
B. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	**583000**	-	**583000**	**4.69**	**583000**	-	**583000**	**4.69**	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**583000**	-	**583000**	**4.69**	**583000**	-	**583000**	**4.69**	-
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	**292681**	-	**292681**	**2.35**	**264141**	-	**264141**	**2.12**	**-0.23**
ii) Overseas	-	**150000**	**150000**	**1.21**	-	**150000**	**150000**	**1.21**	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	**2642780**	**5**	**2642785**	**21.24**	**2755450**	**5**	**2755455**	**22.14**	**0.90**
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	**1900449**	-	**1900449**	**15.27**	**1812824**	-	**1812824**	**14.56**	**-0.70**
c) Others (specify)									
Trusts	-	-	-	-	-	-	-	-	-
Clearing member	**9835**	-	**9835**	**0.07**	**15717**	-	**15717**	**0.13**	**0.05**
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians	**318067**	-	**318067**	**2.56**	**315680**	-	**315680**	**2.54**	**-0.02**
Sub-total (B)(2):	**5163812**	**150005**	**5313817**	**42.70**	**5163812**	**150005**	**5313817**	**42.70**	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**5746812**	**150005**	**5896817**	**47.39**	**5746812**	**150005**	**5896817**	**47.39**	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**12293011**	**150005**	**12443016**	**100**	**12293011**	**150005**	**12443016**	**100**	-

(ii) **Shareholding of Promoters**

Shareholders Name	No. of shares held at the beginning of the year (As on 01.04.2015)			No. of shares held at the end of the year (As on 31.03.2016)			% Change in share holding during the year
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
Navraj Malhotra	149653	1.20	N.A	149653	1.20	N.A	-
Yuvraj Hiralal Malhotra HUF	68400	0.55	N.A	68400	0.55	N.A	-
Hilton Steel Forgings Pvt Ltd	68400	0.55	N.A	68400	0.55	N.A	-
Yuvraj Hiralal Malhotra	5575934	44.81	N.A	5575934	44.81	N.A	-
Diksha Yuvraj Malhotra	672812	5.41	N.A	672812	5.41	N.A	-
Seema Gujral	11000	0.09	N.A	11000	0.09	N.A	-

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

	Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the Year (As on 31.03.2016)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Navraj Malhotra				
At the beginning of the year	149653	1.20	149653	1.20
Changes during the year	No Change During the year			
At the End of the year	149653	1.20	149653	1.20
Yuvraj Hiralal Malhotra HUF				
At the beginning of the year	68400	0.55	68400	0.55
Changes during the year	No Change During the year			
At the End of the year	68400	0.55	68400	0.55
Hilton Steel Forgings Pvt Ltd				
At the beginning of the year	68400	0.55	68400	0.55
Changes during the year	No Change During the year			
At the End of the year	68400	0.55	68400	0.55
Yuvraj Hiralal Malhotra				
At the beginning of the year	5575934	44.81	5575934	44.81
Changes during the year	No Change During the year			
At the End of the year	5575934	44.81	5575934	44.81
Diksha Yuvraj Malhotra				
At the beginning of the year	672812	5.41	672812	5.41
Changes during the year	No Change During the year			
At the End of the year	672812	5.41	672812	5.41
Seema Gujral				
At the beginning of the year	11000	0.09	11000	0.09
Changes during the year	No Change During the year			
At the End of the year	11000	0.09	11000	0.09

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

		Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the Year (As on 31.03.2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Rahn & Bodmer					
At the beginning of the year		583000	4.69	583000	4.69
Changes during the year		No Change During the year			
At the End of the year		583000	4.69	583000	4.69
2. Deepak Gupta					
At the beginning of the year		599258	4.82	599258	4.82
Changes during the year					
Date	Reason				
24/04/2015	Transfer	-4229	-0.03	595029	4.78
01/5/2015	Transfer	-750	-0.01	594279	4.77
08/5/2015	Transfer	588	0.01	594867	4.78
15/05/2015	Transfer	-7825	-0.07	587042	4.71
19/06/2015	Transfer	4281	0.04	591323	4.75
26/06/2015	Transfer	999	0.01	592322	4.76
30/06/2015	Transfer	1009	0.00	593331	4.76
03/07/2015	Transfer	5790	0.05	599121	4.81
10/07/2015	Transfer	3339	0.03	602460	4.84
17/07/2015	Transfer	7534	0.06	609994	4.90
11/12/2015	Transfer	-94991	-0.77	515003	4.13
31/12/2015	Transfer	-4600	-0.04	510403	4.11
22/01/2016	Transfer	1819	0.01	512222	4.12
At the End of the year		512222	4.12	512222	4.12
3. Sony Sebastian					
At the beginning of the year		283304	2.28	283304	2.28
Changes during the year					
Date	Reason				
17/04/2015	Transfer	100	0.00	283404	2.28
01/05/2015	Transfer	200	0.00	283604	2.28
15/05/2015	Transfer	-1000	-0.01	282604	2.27
05/06/2015	Transfer	46	0.00	282650	2.27
26/06/2015	Transfer	50	0.00	282700	2.27
28/08/2015	Transfer	150	0.00	282850	2.27
09/10/2015	Transfer	50	0.00	282900	2.27
12/02/2016	Transfer	150	0.00	283050	2.27
19/02/2016	Transfer	100	0.00	283150	2.27
26/02/2016	Transfer	50	0.01	283200	2.28
At the End of the year		283200	2.28	283200	2.28
4. Chirag Shantilal Shah					
At the beginning of the year		201087	1.62	201087	1.62
Changes during the year		No Change During the year			
At the End of the year		201087	1.62	201087	1.62
5 Omprakash Siremalji Kanungo					
At the beginning of the year		174377	1.40	174377	1.40
Changes during the year		No Change During the year			
At the End of the year		174377	1.40	174377	1.40
6. Evenort Ltd					
At the beginning of the year		150000	1.21	150000	1.21
Changes during the year		No Change During the year			
At the End of the year		150000	1.21	150000	1.21

		Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the Year (As on 31.03.2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7. Subramanian P					
At the beginning of the year		5976	0.04	5976	0.04
Changes during the year					
Date	Reason				
18/09/2015	Transfer	19909	0.15	25885	0.20
09/10/2015	Transfer	3000	0.03	28885	0.23
16/10/2015	Transfer	134	0.00	29019	0.23
23/10/2015	Transfer	300	0.00	29319	0.23
30/10/2015	Transfer	150	0.00	29469	0.23
06/11/2015	Transfer	5200	0.04	34669	0.27
13/11/2015	Transfer	1270	0.01	35939	0.28
20/11/2015	Transfer	6550	0.06	42489	0.34
27/11/2015	Transfer	4900	0.04	47389	0.38
11/12/2015	Transfer	3001	0.02	50390	0.40
18/12/2015	Transfer	2700	0.02	53090	0.42
25/12/2015	Transfer	1000	0.01	54090	0.43
31/12/2015	Transfer	20902	0.17	74992	0.60
08/01/2016	Transfer	100	0.00	75092	0.60
15/01/2016	Transfer	5000	0.04	80092	0.64
29/01/2016	Transfer	6326	0.05	86418	0.69
05/02/2016	Transfer	2000	0.02	88418	0.71
12/02/2016	Transfer	15773	0.12	104191	0.83
19/02/2016	Transfer	4800	0.04	108991	0.87
11/03/2016	Transfer	803	0.01	109794	0.88
18/03/2016	Transfer	5566	0.04	115360	0.92
25/03/2016	Transfer	1530	0.01	116890	0.93
At the End of the year		116890	0.94	116890	0.94
8. Kamlesh Manohar Kanungo					
At the beginning of the year		135601	1.09	135601	1.09
Changes during the year					
Date	Reason				
08/01/2016	Transfer	-10601	-0.09	125000	1.00
15/01/2016	Transfer	-12702	-0.10	112292	0.90
22/01/2016	Transfer	-4367	-0.03	107925	0.87
29/01/2016	Transfer	-1036	-0.01	106889	0.86
At the End of the year		106889	0.86	106889	0.86
9. Praful Mehta					
At the beginning of the year		90000	0.73	90000	0.73
Changes during the year					
Date	Reason				
04/09/2015	Transfer	1250	0.00	91250	0.73
19/02/2016	Transfer	-300	0.00	90950	0.73
25/03/2016	Transfer	250	0.00	91200	0.73
At the End of the year		91200	0.73	91200	0.73
10. Sumangal Shares & Securities Pvt. Limited					
At the beginning of the year		26286	0.21	26286	0.21
Changes during the year					
Date	Reason				
04/03/2016	Transfer	48493	0.40	74779	0.61
At the End of the year		74779	0.61	74779	0.61

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year (As on 01.04.2015)		Cumulative Shareholding during the Year (As on 31.03.2016)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Yuvraj Hiralal Malhotra (Managing Director)				
At the beginning of the year	5575934	44.81	5575934	44.81
Changes during the year	No Change During the year			
At the End of the year	5575934	44.81	5575934	44.81
Mr. Navraj Hiralal Malhotra (Whole time director)				
At the beginning of the year	149653	1.20	149653	1.20
Changes during the year	No Change During the year			
At the End of the year	149653	1.20	149653	1.20
Mrs. Diksha Yuvraj Malhotra (Director)				
At the beginning of the year	672812	5.41	672812	5.41
Changes during the year	No Change During the year			
At the End of the year	672812	5.41	672812	5.41
Mr. Harmohindar Singh Dhingra (Director)				
At the beginning of the year	1250	0.00	1250	0.00
Changes during the year	No Change During the year			
At the End of the year	1250	0.00	1250	0.00
Mr. Navin Chandrakant Chokshi (Director)**				
At the beginning of the year	0	0	0	0
Changes during the year	No Change During the year			
At the End of the year	0	0	0	0
Mr. Sanjay Suresh Jain (Director)				
At the beginning of the year	0	0	0	0
Changes during the year	No Change During the year			
At the End of the year	0	0	0	0
Mr. Manoj Kumar More (Director)				
At the beginning of the year	0	0	0	0
Changes during the year	No Change During the year			
At the End of the year	0	0	0	0
Mr. Joseph William Mckay (Director)				
At the beginning of the year	0	0	0	0
Changes during the year	No Change During the year			
At the End of the year	0	0	0	0
Mr. Rohit Pramodkumar Pandey (CFO)#				
At the beginning of the year	0	0	0	0
Changes during the year	No Change During the year			
At the End of the year	0	0	0	0
Ms. Surabhi Pawar (CS)##				
At the beginning of the year	0	0	0	0
Changes during the year	No Change During the year			
At the End of the year	0	0	0	0

***Mr. Navin Chandrakant Chokshi has resigned as Director w.e.f. 28.07.2015*

#Mr. Rohit Pramodkumar Pandey has been appointed as CFO w.e.f. 01.06.2015

Ms Surabhi Pawar was appointed as Company Secretary w.e.f. 01.06.2015 and has tendered her resignation w.e.f. 01.05.2016

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i.e. 1st April, 2015				
i) Principal Amount	2628.91	NIL	NIL	2628.91
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**2628.91**	**NIL**	**NIL**	**2628.91**
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	281.39	NIL	NIL	281.39
Net Change	**281.39**	NIL	NIL	**281.39**
Indebtedness at the end of the financial year i.e. 31st March, 2016				
i) Principal Amount	**2347.52**	NIL	NIL	**2347.52**
ii) Interest due but not paid	**NIL**	NIL	NIL	**NIL**
iii) Interest accrued but not due	**NIL**	NIL	NIL	**NIL**
Total (i+ii+iii)	**2347.52**	NIL	NIL	**2347.52**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(In ₹)

Particulars of Remuneration	Mr. Yuvraj Hiralal Malhotra (Managing Director)	Mr. Navraj Hiralal Malhotra (Whole-time Director)	Mrs. Diksha Yuvraj Malhotra (Executive Director)	Total Amount
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,00,000	24,00,000	30,00,000	**1,14,00,000**
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	NIL
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	NIL
Stock Option	-	-	-	NIL
Sweat Equity	-	-	-	NIL
Commission - as % of profit - others	-	-	-	NIL
Others	-	-	-	NIL
Total	60,00,000	24,00,000	30,00,000	
Total (A)				**1,14,00,000**
Ceiling as per the Act	Within the limits as approved by the Shareholders			

B. Remuneration to other directors:

(In ₹)

Particulars of Remuneration	**Total Amount**			
Independent Directors	**Mr. Harmohindar Singh Dhingra**	**Mr. Navin Chandrakant Chokshi***	**Mr. Sanjay Suresh Jain**	**Mr. Manoj Kumar More**
• Fee for attending board / committee meetings	55,000	10,000	-	50,000
• Commission	-	-	-	-
• Others	-	-	-	-
Total (1)	**55000**	**10000**	**-**	**50000**

Other Non-Executive Directors	**Mr. Joseph William Mckay**	**Total Amount (In ₹)**
• Fee for attending board / committee meetings	-	-
• Commission	-	-
• Others	-	-
Total (2)	**-**	**-**
Total (B)=(1+2)		**115000**
Total Managerial Remuneration (A+B)		**11515000**
Overall Ceiling as per the Act		**NA****

***The Remuneration to the Managerial Personnel is given as per Schedule V of the Companies Act, 2013*

**Mr. Navin Chandrakant Chokshi has resigned as Director w.e.f. 28.07.2015*

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(In ₹)

Particulars of Remuneration	**Key Managerial Personnel**		**Total Amount**
	Ms. Surabhi Sanjay Pawar (Company Secretary)*	**Mr. Rohit Pramodkumar Pandey (CFO)****	
Gross salary	-	-	-
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,52,500	5,10,000	6,62,500
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - others	-	-	-
Others	-	-	-
Total	**1,52,500**	**5,10,000**	**6,62,500**

** Ms Surabhi Pawar was appointed as Company Secretary w.e.f. 01.06.2015 and has tendered her resignation w.e.f. 01.05.2016*

*** Mr. Rohit Pramodkumar Pandey has been appointed as CFO w.e.f. 01.06.2015*

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty	**NONE**				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	**NONE**				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	**NONE**				
Punishment					
Compounding					

ANNEXURE - II Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

The Members,

HILTON METAL FORGING LIMITED

701, Palm Spring, Link Road

Mumbai 400 065.

We have conducted the secretarial audit of the compliance of applicable statutory provisions under the Companies Act, 2013, regulations laid down by the Securities and Exchange Board of India (SEBI), Foreign Exchange Regulations and other applicable laws listed hereinbelow and the adherence to good corporate practices by **HILTON METAL FORGING LIMITED** (hereinafter called the "Company") for the audit period covering the financial year ended on 31st March, 2016. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2016, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have relied on and examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and made available at its Registered office for the financial year ended on 31st March 2016, according to the provisions of:
   (i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956, to the extent it is applicable.
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
      (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (*effective upto 14th May 2015)* and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (*effective from 15th May 2015*)
      (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 *(effective from 1st December, 2015)*
2. There were no actions/ events in pursuance of following Regulations of SEBI requiring compliance thereof by the Company during the period under review:
   (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
   (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
3 Provisions of Foreign Exchange Management Act ,1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings and Overseas Direct Investment were not attracted during the year under review.;
4 Based on the information provided and review of the Compliances Report of Managing Director taken on record by the Board of the Company and also relying on the representation made by the Company and its Officers, in our opinion adequate system and process exists in the company to monitor and ensure compliances with the provisions of general and other industry and sector specific Laws and Regulations applicable to the Company, as identified and confirmed by the management of the company and listed in **Annexure -A** to this report.
5 We have also examined compliance of the following to the extent applicable.

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India *(effective from 1st July, 2015*); under the provisions of Companies Act, 2013; and

(ii) The Listing Agreement entered into by the Company with Stock Exchanges(s) (*effective unto 30th November 2015*) ; and

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above and there are no material non-compliances that have come to our knowledge except -

1) that the vacancy caused by the resignation of the Independent Director w.e.f 28th July, 2015 which was to be filled within three months from the date of such resignation, was however filled only by 7th April, 2016; and on account of the aforesaid delay in filling up the vacancy of Independent Director, the composition of the Board was not in conformity with requirement during the period for which such vacancy continued.

2) Non-disclosure of all such events or information on the Company's website as required pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

We further report that compliances of finance and tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory Auditors and other designated professionals.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors (*except as per the observation made in the forgoing paragraph*). The changes in the composition of the Board of Directors took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, standards, guidelines etc. having a major bearing on the Company's affairs.

H. P. SANGHVI & COMPANY
COMPANY SECRETARIES

Sd/-
HARESH SANGHVI
FCS 2259/CP No. 3675

Date: 03/08/2016
Place: Mumbai

Note: This report is to be read with our letter of even date which is annexed as **ANNEXURE-B** and forms an integral part of this report.

ANNEXURE- A

List of applicable laws to the Company

a) The Company has complied with the laws and regulations applicable specifically to the Company given its business:

1. Legal Metrology Act, 2009.
2. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
3. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder.
4. The Environment (Protection) Act, 1986

b) All General Laws related to Direct and Indirect Taxation, Labour Laws and other incidental laws of respective States;

H. P. SANGHVI & COMPANY
COMPANY SECRETARIES

Sd/-
Date: 03/08/2016 **HARESH SANGHVI**
Place: Mumbai **FCS 2259/CP No. 3675**

ANNEXURE- B

The Members,
HILTON METAL FORGING LIMITED
701, Palm Spring, Link Road
Mumbai 400 065.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

H. P. SANGHVI & COMPANY
COMPANY SECRETARIES

Sd/-
Date: 03/08/2016 **HARESH SANGHVI**
Place: Mumbai **FCS 2259/CP No. 3675**

ANNEXURE-III

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

i) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2015-16, ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

(In ₹)

Sr. No.	Name of the Director/KMP and Designation	Remuneration of Director/KMP for the financial year 2015-16	% increase in Remuneration in the financial year 2015-16	Ratio of the remuneration of each director to the median remuneration of the employees
1	Mr. Yuvraj Hiralal Malhotra (Managing Director)	60,00,000	0%	9.20
2	Mr. Navraj Hiralal Malhotra (Whole Time Director)	24,00,000	0%	3.68
3	Mrs. Diksha Yuvraj Malhotra (Director)	30,00,000	NA*	4.6
4	Mr. Harmohindar Singh Dhingra^ (Independent Director)	-	-	-
5	Mr. Navin Chandrakant Chokshi^ (Independent Director)	-	-	-
6	Mr. Sanjay Suresh Jain^ (Independent Director)	-	-	-
7	Mr. Manoj Kumar More^ (Independent Director)	-	-	-
8	Mr. Joseph William Mckay (Non-executive Director)	-	-	-
9	Ms. Surabhi Sanjay Pawar# (Company Secretary)	1,52,500	NA#	-
10	Mr. Rohit Pramodkumar Pandey# (CFO)	5,10,000	NA##	-

* *Details not provided as Mrs. Diksha Yuvraj Malhotra has been appointed as Director w.e.f. 25.03.2015*

^ *None of the Independent Directors are in receipt of remuneration.*

 # Ms Surabhi Pawar was appointed as Company Secretary w.e.f. 01.06.2015 and has tendered her resignation w.e.f. 01.05.2016

##Mr. Rohit Pramodkumar Pandey has been appointed as CFO w.e.f. 01.06.2015

ii) **The percentage increase in the median remuneration of employees in the financial year**;

The % increase in median remuneration of employee is 4.30%.

iii) **The number of permanent employees on the rolls of company**

80 employees as on the rolls of Company as on 31st March, 2016

iv) **The explanation on the relationship between average increase in remuneration and company performance**

The total sales in the year decreased by 26.72 % over previous year whereas average increase in remuneration of all employees was 4.30 % for the financial year 2015-2016 which is based on the individual's employees performance and increase in cost of living.

v) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company**

The total remuneration of Key Managerial Personnel increased by 11.04% from 2014-15 to 2015-16 whereas loss after tax during the year is ₹ (158.40) lakhs as compared to profit of ₹ 92.56 lakhs in the year 2014-15

Note: Company Secretary and CFO were appointed in the financial year 2015-16 w.e.f. 01.06.2015

vi) **Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer**

Particulars	FY 2015-2016	FY 2014-2015
Shares Price as at 31st March,2016	17.14	17.35
No. of Equity shares	12443016	12443016
Price Earnings Ratio	-0.07	23.44
Market capitalization as at 31st March,2016 (in ₹ lakhs)	2132.73	2158.86

**The Company has not made any Public Issue or Rights issue of securities after 2007, so comparison have not been made of current share price with public offer price*

The Company's shares are listed on BSE and NSE.

vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average percentile increase in the salaries of employees other than the managerial personnel is 4.30 % whereas the total remuneration of Key Managerial Personnel increased by 11.04% from 2014-15 to 2015-16.

Note: Company Secretary and CFO were appointed in the financial year 2015-16 w.e.f. 01.06.2015

viii) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;

Name of the Key Managerial Personnel	% of revenue (FY 15-16)	% of PAT (FY 15-16)
Mr. Yuvraj Malhotra (Managing Director)	0.89 %	N.A
Ms. Surabhi Sanjay Pawar*(Company Secretary)	0.02%	N.A
Mr.Rohit Pandey* (CFO)	0.08%	N.A

**Ms. Surabhi Sanjay Pawar and Mr.Rohit Pandey has been appointed & designated as Key Managerial Personnel w.e.f. 01.06.2015*

ix) The key parameters for any variable component of remuneration availed by the directors

No variable components were paid as part of remuneration to Directors

x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

Not Applicable

xi) Affirmation that the remuneration is as per the remuneration policy of the company

Remuneration paid during the year ended March 31, 2016 is as per Remuneration policy of the Company

MANAGEMENT DISCUSSION & ANALYSIS

1. Economic Overview

1.1. Global Economy

The global economy grew at a sluggish pace in FY 2015-16 primarily impacted by developments in the commodities sector, especially the fall in oil prices, monetary policy decisions across countries, sharper-than-expected slowdown in the Chinese economy; and a volatile financial and political environment in emerging markets.

While growth in the developed countries remained modest as the countries struggled to escape the legacies of the financial crisis, weakness in the Chinese economy along with the commodity-price downswing and the US Federal Reserve's move to start raising interest rates, affected the emerging economies around the world

The World Bank's baseline projection for global growth for CY 2016-17 is expected to be modest; 2.4% primarily on account of a slower-than-expected recovery in advanced economies. The recovery is projected to improve marginally in CY 2017-18 and strengthen beyond, driven primarily by emerging market and developing economies, as conditions in stressed economies start gradually to normalize.

However, uncertainties continue to exist and risks of weaker growth scenarios need to be mitigated by broad-based structural and monetary policy reforms across developed and emerging countries. Stronger near-term fiscal policy support, with a focus on bolstering future productive capacity and financing demand-friendly structural reforms should provide a significant impetus to growth.

1.2. Indian Economy

The Indian economy continued to exhibit resilience and the strength of its domestic absorption to register a growth of 7.6 per cent during the year 2015-16. It is expected to grow up to 8% during the current fiscal. Manufacturing Sector accelerated at 9.3% as against 5.5% during the last Year. That this has been attained, despite the highly tentative global economic environment that has not shown credible signs of improvement and despite sub-par monsoon rains that for the second year in succession resulted in low growth in agriculture sector, is an encouraging development. Economic growth, measured in terms of growth in GDP at constant market prices.

In addition to robust growth, the year thus far has witnessed macro-economic stability aided by favourable factors such as comforting in action indicators, benign fiscal situation and improving external current account balance. All these have resulted in India emerging as the fastest growing economy among the large economies, and, most agencies have predicted that it will continue to remain so in the medium term.

With the help of Make in India drive, India is on the path of becoming the hub of hi- tech manufacturing as global companies are in the process of setting up manufacturing plants in India. It has become one of the most attractive destinations for investments in the Manufacturing sector. Make in India campaign has opened many avenues to the Forging Industry. The Make in India initiative has definitely been a good move in the right direction to give the necessary boost to the overall manufacturing sector. It has created an all-round positive business environment and sentiments.

2. Industry Structure:

The automobile industry forms the crux of the Indian forging industry. Despite the earnest attempt of diversification to non-auto sector, automotive sector continues to contribute 60 per cent of the total forging production. In the last 25 years, the Indian auto industry has emerged as one of the largest in the world with an annual production of 23.37 million vehicles in FY 2014-15, following a growth of 8.68 per cent over the last year. The automobile industry accounts for 7.1 per cent of the country's gross domestic product (GDP).

The growing number of young population and the bulging middle class segment with increase in purchasing power has made the two-wheeler segment the leader of the Indian automobile market with about 81 per cent market share. The industry has started to revive from 2014-15 onwards. Despite being the largest three-wheeler industry, in terms of domestic sales and exports, the Indian three wheelers segment is yet to see a full-fledged recovery.

The automotive industry has achieved the target of incremental employment creation of 25 million jobs over the last decade. Secondly, Indian automotive industry has bypassed the target 1, 57, 500 crore due to a significant quantum of investments from foreign and domestic OEMs as well as component manufacturers.

The Indian auto industry has attracted foreign direct investment (FDI) worth US$ 13.48 billion during the period April 2000 to June 2015, according to data released by Department of Industrial Policy and Promotion (DIPP). Indian automobile industry has huge growth potentials. According to the market research firm JD Power Asia Pacific, India would become the third largest market in the world after China and USA with respect to light vehicles by 2020.

The Indian forging industry, as a part of the manufacturing sector, has played a significant role in the Indian economy. With setting up of international purchasing offices (IPO) by major global OEM and Tier-1 industries lot of forging companies in India are expected to play a bigger role in their sourcing strategy. In order to meet their expectations the Indian forging industries

have already expanded their operational spectrum to cater to finished and ready to assemble parts rather than supply of simple forgings. With business sentiments having improved in India, in the coming years we expect to see improved business activity which will consequently push the demand for forging products as well as exports

3. Opportunities &Threats:

Opportunities:

1. Locally availability of raw materials.
2. Steady Domestic Demands.
3. Increasing Demand for quality Products.

Threats:

1. Increase in price of raw material and increase in energy costs:

   The main raw material for the forging industry is steel, while the other major cost heads are energy and consumables. One major challenge that has been impacting the industry is the unstable price of steel and rising prices of fuel and power. Power is vital component of any forging operation, power shortage as well as high unit rates charged to industry is major concern. Inadequate power supply leads to usage of diesel generator sets thereby increasing the costs.

2. Government Policies and Market Competitiveness:

   Inadequate support from Government, related to duties and taxes on forging units is a big disadvantage, because international competitors like China, Thailand and Pakistan are in position to supply forged components at lower costs. This is mainly due to substantial subsidies and rebates offered by their Governments.

3. Non availability of skilled manpower:

   Although manpower cost accounts for almost 8 to 10% of the total production cost, not only the company by industry faces a dearth of skilled manpower. To address this issue the company has undertaken a college-connect initiatives wherein engineering colleges are being approached for placements.

4. Product-wise Performance

The Company is mainly engaged in Manufacturing of Steel Forgings, Flanges and Forged Fittings for oil & gas industry, Petrochemicals and refineries. The entire range of the products is classified as one product only as they are different parts of the sets.

5. Outlook:

Company's strategy for the new business development is to identify new programs of existing and new customers for early engagement as well as horizontally deploy the existing products to new markets or customers. The company is strengthening the new business development team with key result areas. It is the need of the hour that the engineering needs to be in tune with latest practices and technologies to remain competitive at the global level. Company also has started to explore the supply potential of forging parts to Railways, turn key projects, earthmoving equipment manufacturers and the defense sector.

More than half of the turnover of the company is achieved through Exports. The company is taking initiative and putting major thrust on exports. The company has policy to take part in exhibitions on or for Forging Products and Steel products held world-wide. This has benefitted the company since it could include quite a few new customers in its client base. The Company intends to explore the possibility of stock and sell in the US market especially in Oil and Gas sector. Various persons / agencies have been recruited to prepare the feasibility report.

6. Risks and Concerns:

The forging industry, which caters the needs of many sectors, is a critical industry that generates employment, has been continuously plagued with incessantly rising industrial fuel and steel prices resulting in rising input costs and shrinking margins. While tapping the growth opportunities, the major risks and areas of concern for the forging industry are increasing input costs such as rising raw material prices and high price of power, inadequate supply of power, unavailability of skilled and unskilled labor, lack of infrastructure among companies in Small & Very Small scale etc. Further being basically a high capital intensive industry, due to lack of future commitment of sales schedules from customers, there is a risk of the complete production line going idle. In addition retention of talent, both at operator level and at managerial level is a major concern. Being a Technology Company, hiring and retaining top-notch talent is a key to continued success of our Organization.

7. Internal Control Systems and their adequacy

The Company has in place internal financial control systems, commensurate with the size and complexity of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, respective departments undertake corrective action in their respective

areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board

8. Financial Performance

(Rupees in Lakhs)

Particulars	Year Ended March 2016	Year Ended March 2015	% Change
Domestic Sales	1789.14	2226.19	-19.63
Export Sales	4676.78	6596.91	-29.11
Other Income	274.90	403.68	-31.90
Total Income	**6740.52**	**9226.78**	**-26.95**
Raw Material	3724.60	5801.30	-35.80
Manufacturing Expenses	1024.57	1329.75	-22.95
Employees Benefit Expenses	701.10	658.32	6.50
Other Expenditure	1100.08	1128.33	-02.50
Total Expenditure	**6650.35**	**9199.58**	**-27.71**
Profit before Tax	-136.59	160.04	-185.3
Less: Current Tax /Deferred Tax	21.81	67.49	-67.68
Profit after Tax	**-158.40**	**92.56**	-271.1

FY 2015-16 witnessed a decline of 26.95% in total revenues from ₹ 9226.78 Lakhs in FY 2014-15 to ₹ 6740.52 Lakhs in FY 2015-16. Domestic sales decline by 19.63%, and Export Sales declined by 29.11% primarily on account of a tough demand environment, amid slowdown of infrastructure activities.

9. Human Resource Management

As we know an organisation cannot build a good team of working professionals without good Human Resources and accordingly our organization has key functions of the Human Resources Management (HRM) team includes recruiting people, training them, performance appraisals, motivating employees and much more. Such human resource includes Top Level Managers, Senior & Middle level and Executives.

Our human resource team believes in personnel management, which involves planning, organising, directing and controlling of the recruitment and resource management, training & development, compensation, integration and maintenance of people for the purpose of contributing to organizational, individual and social goals.

Women Centric Initiatives:

The Company is committed to provide healthy environment to all employees of HFML and does not tolerate any discrimination and/or harassment in any form. The Company has in place a stringent policy in place, to address issues pertaining to female employees and to provide a safe environment for them.

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Place: Mumbai
Dated: 05/08/2016

REPORT ON CORPORATE GOVERNANCE

1) COMPANY PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance, as a concept, has gained considerable importance of late, primarily because of the proposal to enshrine many of the accepted good governance principles into corporate law. The Companies Act, 2013 ('the Act') and the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') have strengthened the framework of Corporate Governance for India Inc.

At Hilton Metal Forging Limited, it has been a constant endeavor to follow the principles of transparency, accountability, ethical business conduct and integrity in functioning to achieve excellence in Corporate Governance, which leads to enhance the value of all stakeholders. The Company has formulated, to ensure the high ethical and moral standards, code of business ethics and code on prohibition of insider trading. The company conducts its activities in a manner that is fair and transparent and perceived to be such by others and has always complied with the code of Corporate Governance.

2) BOARD OF DIRECTORS:

2.1 Composition and categories of Directors:

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial and marketing background. The Company is managed by the Board of Directors in coordination with the Senior Management team.

Sr. No	Name	Designation/ Category of Directors
1	Mr. Yuvraj Malhotra	Managing Director & Chairman (Promoter)
2	Mr. Navraj Malhotra	Whole Time Director (Promoter)
3	Mr. Joseph McKay	Non Executive Director
4	Mr. Sanjay Jain	Independent Non Executive Director
5	Mr. Manoj Kumar More	Independent Non Executive Director
6	Mr. Rajiv Sushil Verma*	Independent Non Executive Director
7	Mr. Harmohindar Singh Dhingra	Independent Non Executive Director
8	Mrs Diksha Yuvraj Malhotra	Executive Director (Promoter)

* Mr. Rajiv Sushil Verma is appointed on 7th April, 2016

2.2 Profile of Board of Directors

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

1) Mr. Yuvraj Malhotra, Chairman and Managing Director

Mr. Yuvraj Malhotra, aged 50 years, is one of the main promoters of the Company and has been associated with the Company since inception. He is instrumental in development and growth of the Company. He is an Engineering graduate with specialization in Mechanical Engineering. He has 28 years experience in Forging Industry and looks after Marketing and the day to day affairs of the Company.. He started his career from Mukund Iron & Steel Limited as Engineering trainee for the year 1989 to 1991. From 1991-1993, he worked with Akai Impex Limited (Export House) as a Materials Manager. From 1993-1994 he worked with Garg Forgings Pvt Limited as a Director. From 1994-1997, he worked with Viraj Forging Limited as a Vice President –Marketing. After resigning from Viraj Forging Limited, in 1997 he started his own proprietorship i.e M/s Hilton Forge by exporting Flanges and other Automobiles Part to various countries. He is also a promoter director of Hilton Steel Forgings Private Limited, a Company dealing in forging and other Metal Products and partner in Delta Cut tools a firm engaged in machining of all types of steel items.

2) Mr. Navraj Malhotra, Whole Time Director

Mr. Navraj Malhotra, aged 48 years, is a Commerce graduate. He looks after the Purchase, Production planning and other commercial aspects such as shipment, liasoning with Government department etc. He has an experience of 20 years in commercial aspects of the industry.

3) Mr. Manoj Kumar More, Non Executive and Independent Director

Mr. Manoj Kumar More aged 45 years, is a commerce graduate and a Fellow Member of the Institute of Chartered Accountants of India with 21 years of experience as a Practicing Chartered Accountant.

4) Mr. Harmohindarsingh Dhingra, Non Executive and Independent Director

Mr. Harmohindarsingh Dhingra aged 78 years, is a commerce graduate and Masters in Arts with specialization in Economics/ Statistics. He is also an Associate member of Indian Institute of Bankers & A.C.C.S from London. He Retired as Deputy General Manager from Central Bank of India after 51 years of service.

5) Mr. Sanjay Jain, Non Executive and Independent Director

Mr. Sanjay Jain, aged 51 years, is an Engineering graduate with specialization in Metallurgy. He has about 27 years of experience in the Industry.

6) Mr. Joseph William Mckay, **Non- Executive and Professional Director**

Mr. Joseph William Mckay aged 77 years, is qualified metallurgist and acquired substantial experience as a Manager at Howard Balfour and Sons Limited, UK. In 1982 he set up his own Company Evenort Limited which is in the business of trading in stainless steel items such as bar, pipe, fittings and flanges.

7) Mrs. Diksha Malhotra, **Executive and Non- Independent Director**

Mrs. Diksha Malhotra, aged 47 years, has done Bachelor of Commerce. She has 21 years of experience in marketing forging products in international market. She looks after developing and implementing the marketing strategies for forging products.

8) Mr. Rajiv Verma, **Non Executive and Independent Director**

Mr. Rajiv Verma aged 49 years has done Bachelor of Engineering, having more than 26 years of experience in Engineering and Technology field.

2.3 BOARD MEETINGS, ATTENDANCE AND OTHER DETAILS:

During the year under review, Four Board Meetings were held at Mumbai. The Board Meetings were held on 26th May, 2015, 5th August, 2015, 6th November, 2015 and 11th February, 2016. The maximum gap between two Board Meetings did not exceed the prescribed time as mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulations.

The compositions of the Board, attendance at the Board meetings held during the Financial Year under review and at the last Annual General Meeting, number of directorship, Memberships/Chairmanships of the Committees of public companies and their shareholding as on March 31, 2016 in the Company are as follows:-

Name of Directors	DIN	Designation/ Category of Directors	No. of Board Meetings attended /held in F.Y.2015-2016	Atten-dance at the last A.G.M.	No. of Director-ship $	Committee position**		No. of Equity Shares
						Chairman	Member	
Mr. Yuvraj Malhotra	00225156	Managing Director & Chairman	4/4	Y	Nil	Nil	1	5575934
Mr. Navraj Malhotra	00225183	Whole Time Director	4/4	Y	Nil	Nil	Nil	149653
Mr. Joseph McKay	00384145	Non Executive Director	1/4	N	Nil	Nil	Nil	Nil
Mr. Sanjay Jain	00152758	Independent Non Executive	4/4	Y	1	2	2	Nil
Mr. Manoj Kumar More	00040190	Independent Non Executive	4/4	Y	2	1	4	Nil
*Mr. Navin Chokshi	00001867	Independent Non Executive	1/4	NA	1	Nil	Nil	Nil
Mr. Harmohindar Singh Dhingra	00037089	Independent Non Executive	4/4	Y	Nil	1	1	1250
Mrs Diksha Yuvraj Malhotra	01393249	Executive Director	4/4	Y	Nil	Nil	Nil	672812

Notes:

1. *Excludes directorships in Hilton Metal Forging Ltd, Private Limited Companies, Foreign Companies and Section 8 Companies.*
2. *Disclosures includes membership/ chairpersonship of Audit Committee and Stakeholders Relationship Committee in Public Limited Companies (listed and unlisted).*
3. *Mr. Yuvraj Malhotra, Mr. Navraj Malhotra and Mrs Diksha Yuvraj Malhotra, are related to each other*
4. *Mr Navin Chokshi has resigned from the office of the director w.e.f. 28th July, 2015.*
5. *The Company has not issued any convertible instruments*

2.3. Meeting of Independent Directors and Evaluation of the Boards Performance

As stipulated by the Code of Independent Directors pursuant to Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 11th February, 2016 to review the performance of Non-independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

3) COMMITTEES OF THE BOARD:

The Board has constituted the following Committees of Directors:

3.1 Audit Committee:

The Audit Committee of the Company is constituted in line with Provision of Regulation 18 of SEBI (Listing Regulations), read with Section 171 of the Act. All the members possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

3.1.1 Terms of reference

Role of Audit Committee and its terms of reference include:

1. To focus its attention on subjects relating to accounting standards, internal controls and financial policies.
2. To oversee the Company's financial reporting process and disclosure of its financial information.
3. To review the financial statement before submission to the Board of Directors.
4. To hold discussion with Management regarding the internal control system.
5. To hold prior discussion with external auditors regarding scope and nature of audit before commencement of the audit and also to have pos audit discussion on the areas of concern

3.1.2 Composition and Attendance at the Meeting

The Audit Committee met 4 times during the year on 26th May, 2015, 5th August, 2015, 6th November, 2015 and 11th February, 2016. The composition, names of the members, chairperson, category of Directors and no. of the meetings attended by the members during the year are as follows:

Sr. No.	Names of Members	Designation	Category of Director	No. of Meetings Attended
1	Mr. Harmohindar Singh Dhingra	Chairman	Independent Non executive	4/4
2	Mr. Manoj Kumar More	Member	Independent Non executive	4/4
3	Mr. Sanjay Jain	Member	Independent Non executive	4/4
4	Mr. Navin Chokshi*	Member	Independent Non executive	1/4

*Mr. Navin Chokshi has resigned from the audit committee w.e.f. 28th July, 2015.

3.2 Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in time with the provision of Regulation 19 of SEBI (Listing Regulations) read with Section 178 of the Act.

3.2.1 Terms of reference

Role of Nomination and Remuneration Committee and its terms of reference include:

1. To recommend/ review the remuneration package of the Managing / whole time Directors / Key Managerial Personnel ("KMP" as defined by the Act), based on performance and defined criteria.
2. To determine the remuneration package for any Executive Directors as well as remuneration payable to the non-executive Directors from the year to year.

3.2.3 Composition and Attendance at the Meeting

The meeting of the Committee was held on 26th May, 2015 during the year. The composition, names of the members, chairperson, category of Directors during the year are as follows:

Sr. No.	Name of Members	Designation	Category of Director	No. of Meetings Attended
1.	Mr. Harmohinder Singh Dhingra	Chairman	Non-Executive, Independent	1/1
2.	Mr. Manoj Kumar More	Member	Non-Executive, Independent	1/1
3.	Mr. Sanjay Jain	Member	Non-Executive, Independent	1/1

3.2.4 Remuneration Policy

1) Remuneration to Senior Management Personnel (s) (SMPs)

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment has to be approved by the Board but any subsequent increments shall be approved by the Managing Director of the Company as per the HR policy of the Company and ratified by the Board. As a policy, the Executive Directors are neither paid sitting fee nor any commission.

2) Remuneration to Non-Executive Directors

The Non-executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The sitting fees paid to the Non-executive Directors for attending meetings of Board of Directors and Audit Committee of Board of Directors will be as per industrial norms and mutually agreed from time to time. Beside the sitting fees they are also entitled to reimbursement of expenses. The Non-executive Directors of the Company are not paid any other remuneration or commission. The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.

The Remuneration Policy recommended by Nomination and Remuneration Committee has been accepted by the Board of Directors and the same has been annexed to the report of the Directors and is also available on the Company's website www.hiltonmetal.com

3.2.5 Familiarization Program

The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company.

3.2.6 Details of Remuneration paid to the Directors

Details of Remuneration paid to the Directors for the year ended 31st March, 2016 are as follows:

Directors	Relationship with the other Directors	Business Relationship	Sitting Fees	Salary/ Perquisites	Contribution to P.F.	Total
Mr.Yuvraj Malhotra	Brother of Mr. Navraj Malhotra	Promoter	NIL	6000000	NIL	6000000
Mr. Navraj Malhotra	Brother of Mr. Yuvraj Malhotra	Promoter	NIL	2400000	NIL	2400000
Mr. Joseph McKay	None	None	NIL	NIL	N A	NIL
Mr. Navin Chokshi*	None	None	10000	NIL	N A	10000
Mr. Manoj Kumar More	None	None	50000	NIL	N A	50000
Mr.Harmohindar Singh Dhingra	None	None	55000	NIL	N A	55000
Mr. Sanjay Jain	None	None	NIL	NIL	N A	NIL
Mrs. Diksha Malhotra	Wife of Mr. Yuvraj Malhotra	Promoter	NIL	3000000	NIL	3000000

** Mr Navin Chokshi has resigned from the office of the director w.e.f. 28th July, 2015*

3.3 Stakeholders' Relationship Committee:

The Stakeholders' relationship committee is constituted in line with the provision of Regulations 20 of SEBI (Listing Regulations) read with Section 178 of the Companies Act, 2013

3.3.1 Terms of reference

Role of Stakeholders' relationship committee and its terms of reference include:

1. To redress Shareholders and Investors complaints
2. To review all matters connected with the share transfers
3. To review status of legal cases involving the investors where the Company has been made a party.

The Company's Registrar & Share Transfer Agents, M/s Sharex Dynamic (India) Private Limited are fully equipped to carry out the transfers of shares and redress Investor complaints received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

3.3.2 Composition of the Committee

The composition, names of the members, chairperson, category of Directors during the year are as follows:

Sr. No.	Names of Members	Designation	Category
1.	Mr. Manoj Kumar More	Chairman	Non-Executive, Independent
2.	Mr. Yuvraj Malhotra	Member	Executive, Non-Independent
3.	Mr. Harmohindar Singh Dhingra	Member	Non-Executive, Independent

3.3.3 Details in respect of Compliance Officer:

Sr. No.	Name	Designation of Compliance officer
1	Ms. Divya Mer*	Company Secretary

*Ms. Divya Mer is appointed as Company Secretary and Compliance Officer w.e.f. 1st June, 2016

3.3.4 Details of Investors Complaints received during F.Y. 2015-16 are as follows:

Sr. No.	Nature of Complaints	Whether Received		No. of Complaints Redressed	Pending Complaints
		SEBI	DIRECT		
1.	Non-Receipt of Refund	0	0	0	NIL
2.	Non- Receipt of Dividend	0	0	0	NIL
3.	Non- Receipt of Annual Report	0	1	1	NIL

4) GENERAL BODY MEETINGS:

4.1 Annual General Meeting

The details of Special Resolutions passed at the Annual General Meetings held in last 3 years along with the location and time of the AGMs are as follows:

AGM	DATE	TIME	VENUE	DETAILS OF SPECIAL RESOLUTIONS PASSED
10th	30.09.2015	4.00 PM	701, Palm Spring, Link Road Malad West, Mumbai-400064	1. To appoint Mrs. Diksha Malhotra as Executive Director of the Company for the period of three years 2. To re-appoint Mr. Yuvraj Malhotra as a Managing Director of the Company for the period of five years 3. To re-appoint Mr. Navraj Malhotra as a Whole Time Director of the Company for the period of five years
9th	27.09.2014	4.00 PM	701, Palm Spring, Link Road Malad West, Mumbai-400064	1. To approve payment of remuneration to Mr. Yuvraj Malhotra as Chairman & Managing Director 2. To create mortgage / hypothecation/ pledge/ charge/ security in any form or manner on the properties and assets of the Company under Section 180 (1) (a) of the Companies Act, 2013 3. To borrow monies under Section 180 (1) (c) of the Companies Act, 2013
8th	30.09.2013	11.30 AM	701, Palm Spring, Link Road Malad West, Mumbai-400064	No Special Resolution

4.2 Extraordinary General Meeting

No Extraordinary General Meeting was held during the financial years 2012-2013, 2013-2014 and 2014-2015

4.3 Postal Ballot

During the year, no resolutions have been passed through postal ballot.

5) MEANS OF COMMUNICATION:

The Annual, half yearly and Quarterly results were submitted to the Stock Exchange and published in Newspapers in accordance with the Listing Agreement and SEBI (LODR) Regulations.

Company's un-audited quarterly results for Quarter ended 30th June, 2015, 30th September, 2015, 31st December, 2015 and audited results for the year ended 31st March, 2016 were published in the Free Press Journal ,Mumbai (English Daily) and Navshakti (Vernacular Daily).

These results are simultaneously posted on the website of the Company and also uploaded on the website of National Stock Exchange of India Ltd. and the BSE Ltd

6) GENERAL SHAREHOLDER INFORMATION

6.1 Company Registration Details: CIN: L28900MH2005PLC154986

6.2 Annual General Meeting

Date: 28th September, 2016

Time: 4.00 P.M

Venue: 701, Palm Spring, Link Road, Malad West, Mumbai – 400064

6.3 Financial Calendar

The Company follows the period of 1st April to 31st March, as the Financial Year

6.4 Tentative Schedule for declaration of results during the financial year 2016-2017

First quarter:	June 30, 2016 - on or before August 14, 2016
Second quarter/Half Yearly	September 30, 2016 - on or before November 14, 2016
Third quarter/Nine months	December 31, 2016 - on or before February 14, 2017
Fourth quarter/Annual	on or before May 30, 2017
Annual General Meeting	September, 2017

6.5 Book Closure date

The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday 19th September, 2016 to Wednesday 28th September, 2016 [Both days inclusive]

6.6 Dividend Payment

No dividend is to be declared for the financial year ended 31st March, 2016

6.7 Unclaimed Dividend

During the financial year under review, the Company has credited ₹ 1,31,047/- to Investor Education and Protection Fund towards Unclaimed Dividend.

The unclaimed dividend for a period of seven years is compulsorily deposited in Investor Education and Protection Fund (IEPF) Account in accordance with Section 205C of the Companies Act, 1956 administered by the Central Government which cannot be claimed by the Shareholders/Investors. The details of unclaimed dividend are posted on the website of the Company. Details of Unclaimed Dividend and due dates for transfer are as follows as on March 31, 2016:

Sr. No	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount (In ₹)	Due Date for transfer to IEPF Account
1	2008-09	24.09.2009	1,59,596	22-09-2016
2	2009-10	30.09.2010	43,837	28-09-2017
3	2010-11	28.09.2011	32,118	26-09-2018
4	2011-12	29.09.2012	41,731	28-09-2019
5	2012-13	30.09.2013	59,404	28-09-2020
6	2013-14	27.09.2014	46,383	25-09-2021
7	2014-15	30.09.2015	68,632	28-09-2022

6.8 Listing on Stock Exchanges

A. Equity Shares

Name of the Stock Exchange	Security code/ Symbol	ISIN	Payment of Annual Listing fees for the FY 16-17 (Y/N)
BSE Limited	532847	INE788H01017	Y
The National Stock Exchange of India Limited	HILTON		Y

B. Debentures/GDRs

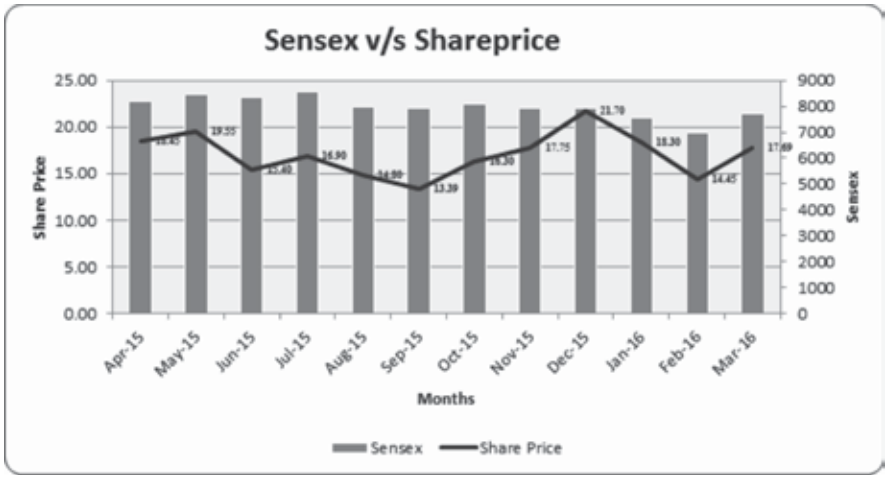
The Company has not issued GDRs / ADRs / Warrants or any convertible instruments so far

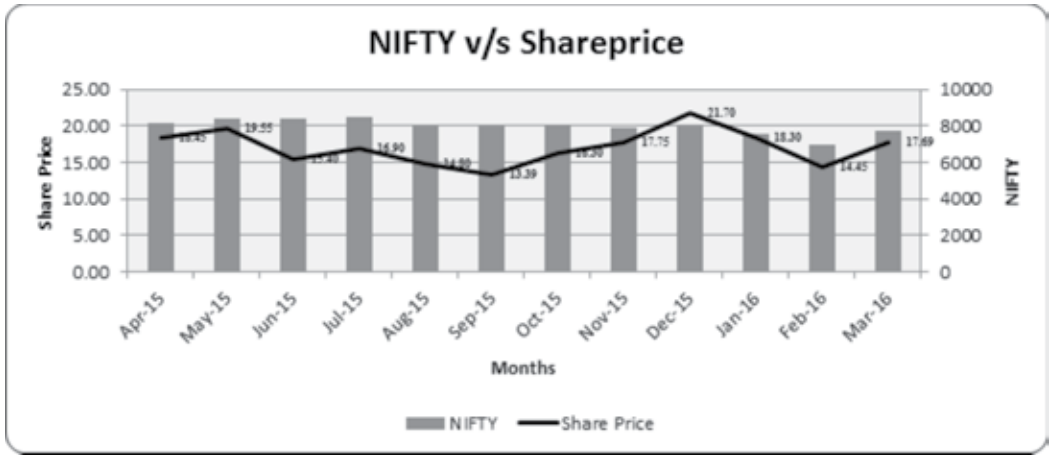
6.9 Market Price Data: High/Low during each month of 2015-16 on Stock Exchanges

Market Price Data Month	Share prices of the Company for the Period April 2015 to March, 2016			
	BSE Ltd		The National Stock Exchange of India	
	High(₹)	Low(₹)	High(₹)	Low(₹)
April, 2015	20.75	17.00	21.90	15.75
May , 2015	20.90	16.80	20.75	16.70
June, 2015	20.00	14.15	20.30	14.05
July, 2015	19.90	15.25	19.80	15.15
August, 2015	17.70	14.45	18.50	13.30
September, 2015	16.20	13.00	17.20	12.25
October, 2015	17.65	12.55	17.40	12.35
November, 2015	18.95	15.70	18.60	14.75
December, 2015	24.50	17.10	24.50	16.60
January, 2016	22.80	16.55	23.90	18.35
February, 2016	20.45	14.10	21.90	13.10
March, 2016	19.70	14.25	20.90	14.60

6.10 Performance in comparison to broad based indices:

The Chart below shows the comparison of your company's share price movement on BSE Sensex & NSE Nifty for the financial year ended 31st March 2016 (based on month end closing)





6.11 Registrar & Share Transfer Agents:

SHAREX DYNAMIC (INDIA) PVT.LTD.

Unit No.1, Luthra Industrial Premises,

Andheri - Kurla Road, Safed Pool, Andheri(E),

Mumbai-400072

Tel: (022) 28515606 / 44 Fax: (022) 28512885

Business Hours: Monday to Friday: 10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.

Contact Person: Mr. T. Sasikumar

6.12 Share Transfer System

Shares sent for transfer in physical form are registered and returned by our Registrars and Share Transfer Agents in 15 days of receipt of the documents, provided the documents are found to be in order. Shares under objection are returned within two weeks. The Registrar and Transfer Agent considers the transfer proposals generally on a fortnight basis.

6.13 Categories of Shareholding as on 31st March, 2016:

Categories	Number of Shares	%
(A) Shareholding of Promoter and Promoter Group		
Promoters	6477799	52.06
Promoter Bodies Corporate	68400	0.55
Total Shareholding of Promoter & Promoter Group (A)	**6546199**	**52.61**
(B) Public Shareholding		
(i) Institutions		
FII(s)	583000	4.69
Total Public Institutions (B) (i)	**583000**	**4.69**
(ii) Non Institutions		
Individuals	4568279	36.71
NRI's	315680	2.53
Bodies Corporate	414141	3.33
Clearing Members	15717	0.13
Total Public Non Institution (B) (ii)	**5313817**	**42.70**
Total Public Shareholding (B)=(B)(i)+(B)(ii)	**5896817**	**47.39**
Total Shareholding (A) + (B)	**12443016**	**100**

6.14 Top Ten equity shareholders of the Company as on March 31, 2016 (other than Promoters)

Sr. No.	Name of Shareholders	No of equity Shares held	Percentage of holding
1	Rahn and Bodmer	583000	4.69
2	Deepak Gupta	512222	4.12
3	Sony Sebastian	283200	2.28
4	Chirag Shantilal Shah	201087	1.62
5	Omprakash Siremalji Kanungo	174377	1.40
6	Evenort Ltd	150000	1.21
7	Subramanian P	116890	0.94
8	Kamlesh Manohar Kanungo	106889	0.86
9	Praful Mehta	91200	0.73
10	Sumangal Shares & Securities Private Limited	74779	0.60

6.15 Distribution of Shareholding as on 31st March, 2016:

No. of equity Shares held	Shareholders		Total Shares	
	Number	% of Total	Shares	% of Total
1-100	2744	40.82	175774	1.41
101-200	1185	17.63	208884	1.68
201-500	1515	22.54	553243	4.45
501-1000	680	10.12	535776	4.31
1001-5000	499	7.42	1019471	8.19
5001-10000	53	0.79	378053	3.04
10001-100000	35	0.52	1045751	8.40
100001 and above	11	0.16	8526064	68.52
Total	**6722**	**100**	**12443016**	**100**

6.16 Dematerialization of Shares and Liquidity

The Company's shares are currently traded only in dematerialised form over NSE & BSE. To facilitate trading in dematerialised form, the Company has tied up with NSDL and CDSL. Shareholders can open account with any of the depository participants registered with any of these depositories. As on March 31, 2016, 98.79% (1,22,93,011 Equity Shares) of the Company's equity shares were held in dematerialized form. The equity shares held by the promoter & promoter group in the Company have been fully dematerialized.

6.17 Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, NSDL and CDSL. No discrepancies were noticed during these audits.

6.18 Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2016, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

6.19 Plant Location

Plot Nos. 1,2,3,15,21,25,26,28,& 30,

Shah & Mehta Ind. Estate,

Village-Ghonsai, Tal. Wada, Dist. Thane

6.20 Address for Correspondence

(i) The Compliance Officer: Hilton Metal Forging Ltd, 701, Palm Spring, Link Road, Malad (West), Mumbai-400064

Email id: mayani@hiltonmetal.com

(ii) Registrar and Transfer Agent: M/s Sharex Dynamic (India) Private Limited

Unit -1, Luthra Ind. Premises, 1st Flr, 44-E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072 E-Mail: investor@sharexindia.com

7) DISCLOSURES:

7.1 Related Party Transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arms' length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The details of the transactions with related parties, if any, are placed before the Audit Committee from time to time.

The Board of Directors has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and Listing Regulations. The same is also displayed on the Company's website www.hiltonmetal.com

7.2. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matters related to capital markets during the last three years.

7.3 Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and sub section (10) of the Companies Act, 2013, and in terms of Regulation 22 read with Regulation 4(2)(d)(iv) of Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the Company has in place a vigil mechanism for Directors and Employees and has adopted a Whistle Blower policy, to report genuine concerns about any wrongful conduct with respect to the Company or its business or affairs. This policy covers malpractices, misuse or abuse of authority, fraud, violation of company's policies or rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected or likely to be affected and formally reported by whistle blowers.

The Policy provides that all Protected Disclosures can be addressed to the Chairman of the Audit Committee in all the cases and to Whole-time Director / Chairman in exceptional cases. All protected disclosures under this policy will be recorded and thoroughly investigated. If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. The details of the vigil mechanism are also available on the Company's website www.hiltonmetal.com

7.4. Adoption of Mandatory Requirements and Non Mandatory Requirements

The Company has complied with the applicable mandatory requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

Status of compliance with non-mandatory items of Corporate Governance is provided below:

a. Unmodified Audit Opinions/Reporting,

b. The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements.

c. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large

d. The Internal Auditor reports directly to the Audit Committee

7.5 Code for prevention of Insider-Trading Practices

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for prevention of Insider Trading.

The Company has instituted a comprehensive code of conduct for its directors, management and officers and the other connected persons with the Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, guidelines and procedures to be made while dealing with shares of the Company including the consequences of violations if any. The code clearly specifies, among other matters, that the Directors and specified employees of the Company can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and material events, etc. as per the Policy. Disclosure of shareholding is taken from all the directors and Designated Employees and other connected persons of the Company.

7.6 Non- Compliance in Corporate Governance and Reasons thereof:

As per the observation of the Secretarial Auditor, the vacancy caused by the resignation of the Independent Director was to be filed in by the Company on or before 25th October, 2015. However the same was filed by 8th April, 2016. The Company was trying to identify and appoint a suitable person on its Board, whose presence can benefit the Company in particular and the shareholders at large and hence there was delay in appointment of Independent director.

In addition to above, the Company has not disclosed the details of all such events and information on its website as required pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 during the period under review.

However, in response to the observation of the Secretarial Auditor, the Company is in process of updating its website by disclosing details of all such events and information as required pursuant to the said regulations at earliest.

8) DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors.

I confirm that the Company has in respect of the year ended March 31, 2016, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Place: Mumbai
Dated: 05/08/2016

MANAGING DIRECTOR/CFO CERTIFICATION

In accordance with Clause 49(IX) of the listing agreement with the BSE Limited and the National Stock Exchange of India Limited for the period from 1st April, 2015 to 30th November, 2015 and as per Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1st December, 2015 to 31st March, 2016, we, Mr. Yuvraj Malhotra, Chairman and Managing Director and Mr. Rohit Pandey, Chief Financial Officer of Hilton Metal Forging Limited (hereinafter referred to as "Company"), to the best of our knowledge and belief, certify that:

1. We have reviewed the financial statements and the cash flow statement of the company for the year ended March 31st, 2016 and that to the best of our knowledge and belief:
   a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
   a. the significant changes in internal control over financial reporting during the year, if any;
   b. significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements; and
   c. that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Mumbai

Dated: 05/08/2016

Yuvraj Malhotra	**Rohit Pandey**
Chairman & Managing Director	**Chief Financial Officer**
DIN: 00225156	**PAN:BLRPP0997E**

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Hilton Metal Forging Limited

We have examined all the relevant records of Hilton Metal Forging Limited, for the purpose of certifying compliance of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the period from April 01, 2015 to November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from December 01, 2015 up to March 31, 2016. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations/Listing Agreement. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has complied with items C and E.

For M/s. R K Chaudhary & Associates
Chartered Accountants
Firm Registration Number: 133512W

R K Chaudhary
Proprietor
M No : 035487

Date: 05/08/2016
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of

Hilton Metal Forgings Limited

1. **Report on Financial Statements:**

   We have audited the accompanying financial statements of **HILTON METAL FORGINGS LIMITED** as at March 31, 2016 which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. **Managements Responsibility for the Financial Statements:**

   Management and Board of Directors of the Company are responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India including Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentations of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

3. **Auditors Responsibility:**

   Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision of the Companies Act, 2013, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the act and rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

   An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements whether due to fraud or error. In making those risk assessment, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company management, as well as evaluating the overall presentation of the financial statements.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. **Opinion:**

   In our opinion and to the best of our information and according to the explanations gives to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

   (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

   (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and

   (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. **Report on other Legal and Regulatory Requirements:**

   1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (the 'Act') we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

   2. As required by Section 143(3) of the Act, we report that:

      a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

      b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.

      c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

      d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014;

e) On the basis of written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditors Report in accordance with rule 11 of the Companies (Audit & Auditors) Rules, 2014.

i) The Company does not have any pending litigations which would impact its financial position.

ii) The Company did not have any long term contracts including derivative contracts, as such the question of commenting on any material foreseeable losses thereon does not arise.

iii) The company has transferred unclaimed dividend portion ₹ 1,29,414/- of the year 2007-2008 to the Investor Education and Protection Fund in time, hence, the question of reporting delay in transferring such sums does not arise.

For M/s. R K Chaudhary & Associates
Chartered Accountants
Firm Registration Number: 133512W

R K Chaudhary
Proprietor
M No : 035487

Date: 27/05/2016
Place: Mumbai

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that

1. (a) The Company has maintained proper records showing particulars, including quantitative details and situation of its fixed assets;

   (b) As explained to us all the fixed assets, according to the practice of the Company are physically verified by the Management at reasonable intervals, in a phased verification-program, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification

   (c) The Company has not disposed off any substantial part of its Fixed Assets so as to affect its going concern;

   (d) The Title Deeds of immovable properties are held in the name of the company.

   (e) None of the Fixed Assets of the Company have been re-valued during the year.

2. As explained to us physical verification of inventory has been conducted by the Management at reasonable intervals. No material discrepancies were noticed on such verification

3. The procedure as explained to us, which are adopted and followed by the Management for physical verification of the above referred inventory, are in our opinion, are reasonable and adequate in relation to the size of the company and the nature of its business.

4. On the basis of our examination of the inventory records of the Company, we are of the opinion that the company is maintaining records of its inventory. No discrepancies were noticed upon physical verification of inventories as compared to the book records.

5. We are of the opinion that the valuation of Stocks is fair & proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.

6. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business with regards to the purchase of Raw Material, including components, Stores and Fixed Assets and for sale of goods. During the course of our Audit, we have not observed any major weakness in the internal control.

7. According to the information and explanations given to us, the Company has not granted / taken any secured or unsecured loans from companies, firms, Limited Liability Partnerships and other parties listed in the register maintained under Section 189 of the Companies Act, 2013.

8. The Company has not accepted any deposits from the public during the year.
9. As informed to us, the Central Government has prescribed maintenance of cost record under sub section (1) of section 148 of the Act in respect of the companies products and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained to the extent applicable.
10. a) According to the information and explanations given to us and based on the records of the company examined by us, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax and other material statutory dues, as applicable, with the appropriate authorities in India
    b) According to the information and explanations given to us and based on the records of the company examined by us, there are no undisputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax.
    c) The company has transferred unclaimed dividend portion ₹ 1,29,414/- of the year 2007-2008 to the investor education and protection fund in time, hence the question of reporting delay in transferring such sums does not arise.
11. According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings from Financial Institution, Bank and Governments etc.
12. The Company has not raised any capital by way of public offer.
13. We have not noticed any fraud committed by the company or its officers or employees during the year.
14. The Managerial Remuneration paid is in accordance with the requisite approval mandated by the provision of section 197 read with schedule V of the Companies Act.
15. The Company is not a Nidhi Company.
16. There are no transactions with the related parties as such provision of section 177 and 188 of Companies Act 2013 are not applicable.
17. The Company has not made any preferential allotment or private placement of shares or fully or party convertible debentures during the year.
18. The company has not entered into any non cash transaction with Directors or Persons connected with them.
19. The Company neither has accumulated losses at the end of the financial year nor has incurred cash losses, both, in the financial year under report and the immediately preceding financial year.
20. The company is not a Non-Banking Finance Company (NBFC) as such provision of section 45-IA of the Reserve Bank of India Act 1934 is not applicable.

For M/s. R K Chaudhary & Associates
Chartered Accountants
Firm Registration Number: 133512W

R K Chaudhary
Proprietor
M No : 035487

Date: 27/05/2016
Place: Mumbai

HILTON METAL FORGING LIMITED
BALANCE SHEET AS AT 31ST MARCH 2016
CIN NO L28900MH2005PLC154986

(Amount ₹ In lakhs)

	Particulars	Note No.	Figures As At the end of current reporting Period 31-3-2016	Figures As At the end of Previous reporting Period 31-3-2015
I.	**EQUITY AND LIABILITY**			
(1)	**Share Holders' Fund**			
	(a) Share Capital	3	**1,244.30**	1,244.30
	(b) Reserves & Surplus	4	**4,746.12**	4,904.52
(2)	**Share Application money pending Allotment**			-
(2)	**Non-current Liabilities**			
	(a) Deferred tax liabilites (Sales tax)	5	**88.75**	88.75
	(b) Other Long Term Borrowing		**-**	-
	(c) Long Term Provisions		**-**	-
	(d) Deferred tax liabilites (net) (Income Tax)	31	**619.03**	597.22
(3)	**Current Liabilities**			
	(a) Short-term borrowings	6	**2,347.52**	2,628.92
	(b) Trade Payables	7	**1,472.39**	1,714.62
	(c) Other Current Liabilities	8	**112.51**	138.30
	(d) Short-term Provisions	9	-	69.50
	TOTAL		**10,630.62**	**11,386.13**
II.	**ASSETS**			
(1)	**Non Current Assets**			
	(a) Fixed Assets - Tangible Assets	10	**3,784.85**	3,967.13
	(b) Long-Term Loan and Advances	11	**176.34**	152.58
	(c) Other Non-Current Assets	12	**47.84**	95.67
(2)	**Current Assets**			
	(a) Current Investments	13	**0.51**	0.51
	(b) Inventories	14	**3,655.20**	4,065.86
	(c) Trade Receivables	15	**1,898.77**	1,942.72
	(d) Cash and Cash Equivalents	16	**147.09**	145.09
	(e) Short term loans and Advances	17	**920.03**	1,016.58
	TOTAL		**10,630.62**	**11,386.14**
	see accompanying notes to the financial statements	1,2, 25-29		

As per our report of even date
For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

R K Chaudhary
Proprietor
M No : 35487

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

Place: Mumbai
Date: 27-5-2016

Rohit Pandey
Chief Financial Officer

HILTON METAL FORGING LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

CIN NO L28900MH2005PLC154986 **(Amount ₹ In lakhs)**

	Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
I.	Revenue from operations	**18**	**6,708.22**	9,204.66
II.	Other Income	**19**	**9.86**	22.12
III.	**Total Revenue (I + II)**		**6,718.08**	9,226.78
IV	Expenses			
	Cost of Material Consumed	**20a**	**3,724.60**	5,801.30
	Purchase of Stock-in trade	**20b**	**-**	281.88
	Change in inventories of finished goods, work-in progress	**21**	**326.76**	(132.85)
	Employees Benefit Expenses	**22**	**701.10**	658.33
	Finance Costs	**23**	**229.59**	236.39
	Depreciation and Amortization Expenses		**253.69**	204.83
	Other Expenses	**24**	**1,618.94**	2,016.86
	Total Expenses		**6,854.67**	9,066.73
V	Profit before exceptional and extraordinary items and tax (III - IV)		**(136.59)**	160.05
VI	Exceptional Items		**-**	-
VI	**Profit before extraordinary items and tax (V-VI)**		**(136.59)**	160.05
VIII	Extraordinary Items		**-**	-
VII	**Profit Before Tax (VII-VIII)**		**(136.59)**	160.05
VIII	Tax Expenses			
	(1) Current Tax		**-**	32.02
	(2) Deferred Tax		**21.81**	35.47
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(158.40)**	92.56
XII	Profit/(Loss) from Discontinuing Operations		**-**	-
XIII	Tax Expenses from Discontinuing Operations		**-**	-
XIV	Profit/(Loss) from Discontinuing expenses (after tax (XII-XIII)		**-**	-
X	**Profit/(Loss) for the period**		**(158.40)**	92.56
XI	**Earning per equity share:**	**30**		
	(1) Basic		**(1.27)**	0.74
	(2) Diluted		**(1.27)**	0.74
	See accompanying notes to the financial statements	**1,2, 25-29**		

As per our report of even date
For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

R K Chaudhary
Proprietor
M No : 35487

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

Place: Mumbai
Date: 27-5-2016

Rohit Pandey
Chief Financial Officer

HILTON METAL FORGING LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

CIN NO L28900MH2005PLC154986 **(Amount ₹ In lakhs)**

	Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
		₹	₹	₹	₹
A.	**Cash flow from operating activities**				
	Net Profit / (Loss) before extraordinary items and tax		(136.59)		160.05
	Adjustments for:				
	Depreciation and amortization		205.86		252.67
	Finance costs		229.59		236.39
	Interest income		7.23		22.07
	Dividend income		2.62		0.05
			288.99		626.99
	Operating profit / (loss) before working capital changes		-		-
	Changes in working capital:				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	410.67		(259.43)	
	Trade receivables	43.95		436.21	
	Short-term loans and advances	96.55		103.98	
	Long-term loans and advances	(23.76)		5.92	
	Other current assets	47.84		47.84	
	Other non-current assets		575.23		334.52
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables	(242.23)		(457.06)	
	Other current liabilities	(95.29)		(0.34)	
	Other long-term liabilities				
	Short-term provisions				
	Long-term provisions				
			(337.52)		(457.40)
	Cash flow from extraordinary items				
	Cash generated from operations		526.69		504.10
	Net income tax (paid) / refunds				
	Net cash flow from / (used in) operating activities (A)		**526.69**		**504.10**
B.	**Cash flow from investing activities**				
	Capital expenditure on fixed assets, including capital advances		(23.57)		(685.66)
	Interest received				
	- Others		7.23		22.07
	Dividend received		2.62		
	- Others				0.05
	Net cash flow from / (used in) investing activities (B)		**(13.71)**		**(663.54)**

HILTON METAL FORGING LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

CIN NO L28900MH2005PLC154986 **(Amount ₹ In lakhs)**

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	₹	₹	₹	₹
C. Cash flow from financing activities				
Net increase / (decrease) in working capital borrowings		(281.40)		409.87
Finance cost		(229.59)		(236.39)
Dividends paid				
Tax on dividend				
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		**(510.98)**		**173.49**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**2.00**		**14.05**
Cash and cash equivalents at the beginning of the year		145.09		131.04
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		147.09		145.09
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		147.09		145.09
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)				
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 19				
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments)				
Cash and cash equivalents at the end of the year *		147.09		145.09
* Comprises:				
(a) Cash on hand		1.27		18.38
(b) Cheques, drafts on hand				
(c) Balances with banks				
(i) In current accounts		17.63		0.69
(ii) In EEFC accounts		5.13		5.13
(iii) In deposit accounts with original maturity of less than 3 months		118.53		116.82
(iv) In earmarked accounts (give details) (Refer Note (ii) below)				
(d) Others (specify nature)		4.52		4.07
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)				
		147.09		145.09

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing & discounting operations.

(ii) These earmarked account balances with banks can be utilized only for the specific identified purposes.

See accompanying notes forming part of the financial

As per our report of even date

For R K Chaudhary & Associates

CHARTERED ACCOUNTANTS

R K Chaudhary
Proprietor
M No : 35487

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

Place: Mumbai
Date: 27-5-2016

Rohit Pandey
Chief Financial Officer

1. Corporate Information:

Hilton Metal Forging Limited established in 2005 is a manufacturer of iron and steel forging, recognized export house, presently catering to the needs of Oil and Gas, Refineries and pharmaceutical industries. The company has its plant at Village Ghonsai, Taluka Wada, Dist Palghar and Corporate office at 701 Palm Spring, Link Road, Malad West, Mumbai 400064, Maharashtra.

2. Basis of Preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

3. Significant accounting policies:

(a) **Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

(b) **Plant, Property and Equipment**

Plant, property and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of plant, property and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

(c) **Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(d) **Foreign currency transactions and translations**

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognized as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortized on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortized balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortized over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date

(e) **Government grants, subsidies and export incentives**

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalized and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

(f) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

The company operates defined benefit plan of gratuity for its employees.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

The company recognizes termination benefit as a liability and an expense when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(g) **Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the *Guidance Note on Accounting for*

Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(h) **Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

The Company is mainly engaged in Manufacturing of Steel Forgings and Flanges and Forged Fittings for oil & gas industry, Petrochemicals and refineries, which in the context of Accounting standard (AS) 17 "Segment Reporting" is considered to be the only business segment

(i) **Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(j) **Research and development expenses**

Revenue Expenditure, including overheads on Research and Development is charged out as expenditure through the natural heads of the expenses in the year in which incurred.

(k) **Provisions and contingencies**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

(l) **Share issues expenses**

Share issue expenses and pre-operative expenses are written off and charged to profit and loss account The balance to the extent not written off is carried as an asset and is amortized over a period of 10 years

(m) **Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

As per our report of even date
For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

	Yuvraj Malhotra	**Navraj Malhotra**
R K Chaudhary	**Chairman & Managing Director**	**Whole Time Director**
Proprietor	**DIN No 00225156**	**DIN 00225183**
M No : 35487		

Place: Mumbai
Date: 27-5-2016

Rohit Pandey
Chief Financial Officer

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

	As at 31-3-2016		As at 31-3-2015	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)
NOTE 3 : SHARE CAPITAL				
AUTHORISED				
Equity shares of Rs 10 each with voting rights	**15000000**	**1500.00**	15000000	1500.00
ISSUED				
Equity shares of Rs 10 each with voting rights	**12443016**	**1244.30**	12443016	1244.30
SUBSCRIBED AND FULLY PAID UP				
Equity shares of Rs 10 each with voting rights	**12443016**	**1244.30**	12443016	1244.30
		1244.30		1244.30

Presently the company has issued only equity shares with voting rights which are fully sub-scribed

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Year Ended March 2016	12443016	1244.30	12443016	1244.30

during the period under reporting no fresh issues on account of fresh issues, bonus, ESOP, conversion of buyback has taken place.

Details of rights, preference and restricting to each class of shares

there is no holding or subsidiary company and voting rights are not restricted .

Details of Share held by each Share Holder holding more than 5% shares

	As at 31-3-2016		As at 31-3-2015	
	Number of Shares	% holding in that class of shares	Number of Shares	% holding in that class of shares
Equity Share with Voting Rights				
Yuvraj Hiralal Malhotra	5575934	44.81%	5575934	44.81%
Diskha Malhotra	672812	5.41%	672812	5.41%

Details of shares reserved for issue under options that arise under promoter or collaboration agreement, loan agreement, contract for supply of capital goods etc, if any.

NOTE 4 : RESERVES AND SURPLUS

		As at 31-3-2016	As at 31-3-2015
(A)	Securities Premium Account		
	Opening Balance	**3361.81**	3361.81
	Add Premium on Shares issued during the year	**0.00**	0.00
	Closing Balance	**3361.81**	3361.81
(B)	General Reserves		
	Opening Balance	**560.00**	525.00
	Add : Transferred from surplus statement of Profit and Loss	**0.00**	35.00
	Closing Balance	**560.00**	560.00
(c)	Surplus /(deficit) in statement of Profit and Loss		
	Opening Balance	**982.71**	962.63
	Add Profit/(Loss) for the year	**-158.40**	92.56
	Less : Depreciation revised working difference		
	Less : Interim Dividend		
	Dividend Proposed to be distributed to equity Share holders	**0.00**	31.11
	Tax on Dividend Distribution	**0.00**	6.37
	Transferred to General Reserve	**0.00**	35.00
	Closing Balance	**824.31**	982.71
	Total	**4746.12**	4904.52

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

NOTE 5 : LONG TERM BORROWINGS	**As at 31-3-2016**	As at 31-3-2015
(a) Deferred Payment Liabilities		
Sales Tax - MVAT Liability	**88.75**	88.75
	88.75	88.75

Terms of repayment for the long term borrowings and security provided in respect of Sales Tax - MVAT Liability - Deferred is to be repaid in 5 yearly installments starting from 11th Year of the date of its deferment.

NOTE 6 : SHORT TERM BORROWINGS		
(a) Loans payable on Demands(Refer Point 1)		
From Banks _ Secured		
(i) Packing Credit Advance	**1604.89**	1586.57
(ii) Bills Negotiation	**95.45**	22.34
(iii) Cash Credit	**625.07**	985.00
(iv) Term Loan	**22.11**	35.00
	2347.52	2628.91
(1) Details of security for secured short term Finance		
Loans repayable on demand from		
State Bank of Hyderabad - Overseas Br Colaba		
(i) Packing Credit Advance	**882.36**	1051.49
(ii) Bills Negotiation	**95.45**	22.34
(iii) Cash Credit	**486.19**	809.77
State bank of India _ Empire House Fort Br		
(i) Packing Credit Advance	**722.54**	535.08
(ii) Cash Credit	**138.88**	175.23
(Secured By hypothecation of Stocks and book debts, both present and future and also guaranteed by Managing Director		
State Bank of Hyderabad - Overseas Br Colaba		
medium Term Loan	**22.11**	35.00
Details of the default in repayment of loan and interest in respect of the above loans		
None		

NOTE 7 : Trade Payable		
(a) **Trade payable**		
(1) Raw Material	**818.30**	1081.35
(2) For Expenses	**561.12**	591.79
(3) Others	**92.97**	41.49
	1472.39	1714.62

NOTE 8 : Other Current Liabilities		
(A) **Other Current Liabilities**		
(1) Income Received in advance	**70.25**	89.17
(2) Other Current Liabilities	**32.91**	39.90
(3) Statutory Dues	**9.35**	9.23
	112.51	138.30

(B) **Details of the terms and conditions, number of shares proposed to be issued, the amount of premium, if any, the period before which the shares are to be allotted.**
None.

NOTE 9 : Short Term Provisions		
(a) Provisions for Employees benefits	**-**	**-**
Provisions for Others		
Provisions for Tax (MAT)	**0.00**	32.02
Provisions for proposed Dividend & Tax There on	**0.00**	37.48
	0.00	69.50

NOTE:10
FIXED ASSETS

Particulars	<---------- G R O S S B L O C K---------->					<-------D E P R E C I A T I O N---------->			< -N E T B L O C K ->	
	1-4-15	Additions 1st half	Additions 2nd half	reduction during the year	31-3-16	up to 1-4-2015	For the Year	as on 31-3-2016	as on 31-3-2016	31-3-15
A. TANGIBLE ASSETS										
Land (See Note No XVI-B/3)	13759150	0	0		13759150	0	0	0	13759150	13759150
Building and Shed	68429170	0	3042500		71471670	16211143	2291796	18502939	52968731	52218027
Staff Quarters	10645940	0	0		10645940	2289191	356549	2645740	8000200	8356749
Plant and Machinery	344210284		0	0	344210284	114019490	16394783	130414273	213796011	230190794
Office Equipments	3463322	26000	0		3489322	664559	150951	815510	2673812	2798763
Designs & Drawings	67990	0	0		67990	12293	3238	15531	52459	55697
Office Premises	8897607	0	0		8897607	0	0	0	8897607	8897606
Electrical Installation	8805986	0	0		8805986	3157629	419430	3577059	5228927	5648357
Computer System	3139113	166036	72380		3377529	1849679	260946	2110625	1266904	1289434
Furniture & Fixtures	7595629	328000	0		7923629	3599864	494294	4094158	3829471	3995765
Vehicles	2242727	0	0		2242727	756812	213643	970455	1272272	1485915
Total	**471256919**	**520036**	**3114880**	**0**	**474891835**	**142560661**	**20585630**	**163146290**	**311745544**	**328696257**
WIP Machinery	65739359	0	1000000		66739359	0	0	0	66739359	65739359
WIP Building	2277500	0	765000	3042500	0	0	0	0	0	2277500
Total Assets	**539273778**	**520036**	**4879880**	**3042500**	**541631194**	**142560661**	**20585630**	**163146290**	**378484903**	**396713116**
A. INTANGIBLE ASSETS		NIL								

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

	As at 31-3-2016	As at 31-3-2015
NOTE 11 : Long Term Loans and Advances		
(a) Capital Advance	**22.85**	-
(b) Security Deposit	**28.49**	27.58
(c) Other Loans and Advances	**125.00**	125.00
	176.34	152.58
NOTE 12 : Other non-current assets		
Unamortized Expenses		
Public Issue and Pre - Operative Expenses	**47.84**	95.67
	47.84	95.67
NOTE 13 : Current Investments		
Equity Shares of Saraswat Co Op Bank Ltd	**0.51**	**0.51**
(unquoted - Membership shares	**0.51**	0.51
NOTE 14 : Inventories		
(a) Raw material	**725.11**	805.60
(b) Semi Finished Goods	**1345.58**	1547.45
(c) Cut Billets	**517.03**	498.26
(d) Finished Goods	**119.71**	251.22
(e) Stores & Spares and Consumables	**62.44**	72.45
(f) Dies and Tools at Cost	**880.28**	883.69
(g) Scrap	**5.06**	7.18
	3655.20	4065.84
NOTE 15 : Trade Receivable		
Trade Receivable		
(Unsecured considered good)		
Trade Receivable Outstanding for a period exceeding six months	**1358.68**	1005.42
Other Trade Receivable	**540.09**	937.31
un-Secured Considered Good		
	1898.77	1942.72
NOTE 16 : Cash and Cash Equivalents		
(a) Cash in Hand	**1.27**	18.38
(b) Cheques Drafts in Hand	**0.00**	0.00
(c) Balance with Banks		
in Current Accounts	**17.63**	0.69
in EEFC accounts	**5.13**	5.13
in Deposit Accounts (Margin Money)	**118.53**	116.82
in earmarked Accounts		
un paid dividend account	**4.52**	4.07
	147.09	145.09

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

	As at 31-3-2016	As at 31-3-2015
NOTE 17 : Short Term Loans and Advance		
(a) Loans and Advances to Employee	**3.61**	5.70
(b) Pre Paid Expenses	**24.12**	15.28
(c) Advance Income Tax	**8.18**	72.22
(d) MAT Credit Entitlement	**94.70**	58.00
(e) Balance with Government Authorities	**148.35**	657.83
(f) Other Loans and Advances	**641.06**	207.55
	920.03	1,016.58
NOTE 18 : Revenue from Operations		
Sales of Products (net of Returns, rebates etc)	**5183.16**	6766.05
Sales thru Trading Activity	**0.00**	287.40
Sales of Services (Refer Note ii Below)	**98.92**	123.32
Other Operating Revenues (Refer Note III Below)	**1426.14**	2027.90
	6708.22	9204.66
Sales of Product Comprises:		
Manufactured Goods		
Seamless Stub Ends	**16.58**	4.60
S S Flanges	**3874.25**	3758.27
S S Forging	**1111.34**	2943.77
C S Forgings	**180.99**	59.41
Others	**0.00**	0.00
Total - Sales thru Manufacturing Activity	**5183.16**	6766.05
Traded goods		
Sales thru Trading Activity	**0.00**	287.40
Total - Sales thru Trading Activity	**0.00**	287.40
Total - Sales of products	**5183.16**	7053.45
Sales of services comprises		
Labour Charges	**98.92**	123.32
Other Operational Revenue comprises		
Sales of scrap	**1260.02**	1769.66
Export Incentives	**166.12**	258.24
	1426.14	2027.90
NOTE 19 : Other Income		
Interest Income (from Banks on Deposits)	**7.23**	22.07
Dividend / Other Income	**2.62**	0.05
	9.86	22.12

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

	As at 31-3-2016	As at 31-3-2015
NOTE 20.a : Cost of Material Consumed		
Opening Stock	**805.60**	780.10
Add: Cost of Purchase	**3713.57**	5936.99
	4519.18	6717.09
Less: Sales	**69.46**	110.19
	4449.71	6606.90
Less: Closing stock	**725.11**	805.60
	3724.60	5801.30
Raw Material Consumed comprises		
Grade 304 L and equivalent	**1293.36**	2425.64
Grade 316 L and Equivalent	**1570.54**	3250.71
Grade A 105 and equivalent	**4.68**	16.41
Others	**856.02**	108.54
	3724.60	5801.30
NOTE 20.b : Purchase of Traded goods		
Various Items	**0.00**	281.88
	0.00	281.88
NOTE 21 : Change in Inventories		
Work-in-progress and stock in trade		
Closing Stock		
Semi finished Goods	**1345.58**	1547.45
Cut Billets	**517.03**	498.26
Finished Goods	**119.71**	251.22
scrap	**5.06**	7.18
Stores& Fuel	**62.44**	72.45
	2049.80	2376.56
Less: Opening Stock		
Semi finished Goods	**1547.45**	1220.03
Cut Billets	**498.26**	750.86
Finished Goods	**251.22**	167.98
Scrap	**7.18**	33.48
Stores& Fuel	72.45	71.36
	2376.56	2243.71
Net (Increase)/Decrease	**326.76**	-132.85
NOTE 22 : Employees benefits Expenses		
Employees Benefit Expenses		
Salary, Wages & Bonus	**538.13**	543.89
Remuneration to Directors	**114.00**	84.00
Contribution to Provident Fund	**11.56**	8.43
Gratuity	**2.52**	0.00
Welfare Expenses	**34.89**	22.01
	701.10	658.33
NOTE 23 : Finance Costs		
Interest Expenses on		
1. Borrowings	**201.78**	196.92
2. Trade payable	**27.80**	39.47
	229.59	236.39

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

NOTE 24 : Other Expenses	**Note No.**	**As at 31-3-2016**	As at 31-3-2015
Stores & Spares Consumed		**214.09**	230.39
Packing Material Consumed		**61.79**	88.36
Die consumed		**69.60**	78.26
Exchange Difference		**68.15**	3.92
Sub- contracting		**103.77**	164.35
Power & Fuel		**474.71**	633.95
Water Charges		**7.83**	6.78
Repairs & Maintenance _ Machines		**71.51**	90.41
Insurance Charges - plant		**4.01**	2.80
Rent, Rates & Taxes		**12.65**	11.37
Communication		**11.71**	14.49
Traveling & Conveyance		**81.82**	81.31
Printing and Stationery		**2.34**	2.30
Freight & Forwarding Charges		**177.14**	247.28
Advertisement & Sales Promotions		**33.63**	53.80
Legal & Professional Charges		**52.44**	37.64
Auditors Remuneration	25	**4.21**	4.21
General expenses		**167.53**	265.26
		1618.94	2016.86

NOTE : 25 Auditors Remunerations

(i) Payment to the auditors comprises (net of service tax credit where applicable		
As auditors - statutory audit	**3.09**	3.09
for Taxation matters	**0.84**	0.84
For company Law Matters	**0.17**	0.17
for Other services	**0.11**	0.11
Total ₹	**4.21**	4.21

Additional Information to financial Statement:

NOTE 26 :Contingent Liabilities and commitments (to the extent not provided for)

(i) **Contingent Liability** None

(ii) **Commitments**

Discloser required under Section 22 of the Micro, Small and Medium enterprises Development Act
None
(dues to Micro and Small Enterprises could not be determined for wants of sufficient information to the extent such parties can be categorized /identified of its stature.

Disclosure as per Clause 32 of the Listing Agreement with Stock Exchanges:
Loans and advances in nature of loans given to subsidiaries, associates and others and investment in shares of the company by such parties:

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

	As at 31-3-2016	As at 31-3-2015
NOTE 27 :Earnings and Expenditure in foreign currency		
Export of goods calculated on FOB Basis	**4612.58**	6382.68
Expenditure in Foreign Currency		
Other Matters	27.58	101.32
Amounts remitted in foreign currency during the year on account of Dividend		
Amount remitted in foreign currency	**37500**	37500
Total Number of share holders	**1**	1
Total Number of shares held by them on which dividend was due	**150000**	150000
Year to which the dividend relates	**2014-15**	2013-14

Note : 28 Segment Information

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The Company is mainly engaged in Manufacturing of Steel Forgings and Flanges and Forged Fittings for oil & gas industry, Petrochemicals and refineries, which in the context of Accounting standard (AS) 17 “Segment Reporting” is considered to be the only business segment

NOTE : 29 Related party Transactions

Key Management Personnel	Mr Yuvraj Malhotra
	Mr Navraj Malhotra
	Mrs Diksha Malhotra
	Mr Rohit Pandey
	Ms Surbhi Pawar

Remuneration to KMP

	As at 31-3-2016	As at 31-3-2015
Yuvraj Malhotra	**60.00**	60.00
Navraj Malhotra	**24.00**	24.00
Mrs Diksha Malhotra	**30.00**	30.00
Mr Rohit Pandey	**5.61**	0.00
Ms Surbhi Pawar	**1.50**	0.00

Note : 30 Earning per Share

Basic

Continuing Operations

Net profit/(loss) for the year from continuing operations	**-158.40**	137.08
Less preference Dividend and Tax thereon	**0.00**	0.00
Net profit/(loss) for the year from continuing operations attributable to the Equity Share Holders	**-158.40**	137.08
Weighted average number of equity shares for basic EPS	**12443016**	12443016
Weighted average number of equity shares for Diluted EPS	**12443016**	12443016
par value per shares		
Earning per shares from continuing operations	**(1.27)**	1.10

HILTON METAL FORGING LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENT

(Amount ₹ In lacs)

	As at 31-3-2016	As at 31-3-2015
Note : 31 Deferred Tax Liability		
Tax effect of items constituting deferred tax liability		
on difference between book balance and tax balance of fixed assets	**6478300**	6478300
Tax effect of items constituting deferred tax liability	**2180596**	2180596
Net Deferred Tax (Liability) / assets	**21.81**	35.47
Balance Brought forward	**597.22**	561.75
Net deferred Tax Liability	**619.03**	597.22

As per our report of even date
For R K Chaudhary & Associates
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN No 00225156

Navraj Malhotra
Whole Time Director
DIN 00225183

R K Chaudhary
Proprietor
M No : 35487

Rohit Pandey
Chief Financial Officer

Place: Mumbai
Date: 27-5-2016

HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986
Regd. Office: 701, Palm Spring, Link Road, Malad (West) Mumbai-400064
Email: secretarial@hiltonmetal.com; Phn No: 022-4042 6565

ANNUAL GENERAL MEETING
ATTENDANCE SLIP

(To be presented at the entrance)

DP ID No	Regd. Folio No	Client ID No	No. of shares held

Name: _____Address:_____

_____

Name of Proxy:_____ (To be filled in, if the Proxy attends instead of the member) I certify that I am a Member/Proxy for the member of the Company.

I hereby record my presence at ELEVENTH ANNUAL GENERAL MEETING of the Hilton Metal Forging Limited, held on Wednesday, 28th day of September, 2016 at 04.00 p.m. at 701 Palm Spring, Link Road, Malad (West), Mumbai-400 064.

_____ _____

Member's/ Proxy's name in BLOCK Letters Signature of Member/Proxy

NOTE:

1. Member / Proxy holder wishing to attend the meeting must bring the Attendance Slip duly signed to the meeting and hand it over at the entrance.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
3. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986
Regd. Office: 701, Palm Spring, Link Road, Malad (West) Mumbai-400064
Email: secretarial@hiltonmetal.com; Phn No: 022-4042 6565

PROXY FORM

[*Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member(s)	
Registered address	
E-mail ID	
Folio No / Client ID	
DP ID	

I / We, being the member(s) of _____shares of the above named company, hereby appoint

1 _____of_____ having e-mail id _____or failing him

2 _____of_____ having e-mail id _____or failing him

3 _____of_____ having e-mail id _____or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting of the Company, to be held on the 28th Day of September, 2016 at 4.00 p.m. at 701 Palm Spring, Link Road, Malad (West), Mumbai-400064 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Sr. No	Item No (Description)	Type of Resolution	No of Shares held by me	I assent to the resolution (For)	I dissent to the resolution (Against)
	ORDINARY BUSINESS				
1	Receive, consider and adopt the audited Balance Sheet as at 31st March, 2016 and the profit & loss account for the year ended on that date along with the schedules thereon and the Reports of the Directors and Auditors thereon.	Ordinary			
2	Appoint a Director in place of Mrs. Diksha Malhotra who retires by rotation and is eligible for re-appointment.	Ordinary			
3	Ratification of appointment of M/s. R K Chaudhary & Associates, Chartered Accountants, Mumbai as Statutory Auditors and to fix their remuneration.	Ordinary			
	SPECIAL BUSINESS				
4	Appoint Ms. Nikita Talati of M/s. NNT & Co, Cost Accountants, Mumbai as Cost Auditors and to fix their remuneration.	Ordinary			
5	Appoint Mr. Rajiv Verma as a Independent Director of the Company for the period of five years	Ordinary			

Signed this .....day of 2016

Signature of shareholder.....

Signature of Proxy holder(s) _____ _____ _____

(first proxy holder) (second proxy holder) (third proxy holder)

Affix Revenue Stamp of ₹ 1

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 701 Palm Spring, Link Road, Malad (West), Mumbai-400064 not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts concerning items of special business, please refer to the Notice convening the Eleventh Annual General Meeting.

BALLOT FORM

[*Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014*]

Name of the Company: Hilton Metal Forging Limited

Registered Office: 701, Palm Spring, Link Road, Malad West, Mumbai- 400 064

CIN: L28900MH2005PLC154986

Sr. No	Particulars	Details
1	Name of the First Named Shareholder (In Block Letter)	
2	Name (s) of the Joint Holder(s) (If any)	
3	Postal Address	
4	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)	
5	Number of Share(s) held	

I hereby exercise my vote in respect of the Ordinary/Special resolution(s) enumerated below by recoding my assent or dissent to the said Resolution(s) in the following manner:

Sr. No	Item No (Description)	Type of Resolution	No of Shares held by me	I assent to the resolution (For)	I dissent to the resolution (Against)
	ORDINARY BUSINESS				
1	Receive, consider and adopt the audited Balance Sheet as at 31st March, 2016 and the profit & loss account for the year ended on that date along with the schedules thereon and the Reports of the Directors and Auditors thereon.	Ordinary			
2	Appoint a Director in place of Mrs. Diksha Malhotra who retires by rotation and is eligible for re-appointment.	Ordinary			
3	Ratification of appointment of M/s. R K Chaudhary & Associates, Chartered Accountants, Mumbai as Statutory Auditors and to fix their remuneration.	Ordinary			
	SPECIAL BUSINESS				
4	Appoint Ms. Nikita Talati of M/s. NNT & Co, Cost Accountants, Mumbai as Cost Auditors and to fix their remuneration.	Ordinary			
5	Appoint Mr. Rajiv Verma as a Independent Director of the Company for the period of five years	Ordinary			

Place :

Date : **Signature of the Member**

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility, to enable them to send their assent or dissent by post.

2. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

3. For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.

4. The Scrutinizer will collate the votes downloaded from the e-voting system, votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form:

1. Please complete and sign the Ballot Form (no other form or photo copy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Haresh Sanghvi of M/s H P Sanghvi & Co., Practicing Company Secretaries, (Membership No. 2259), at the Registered Office of the Company.

2. The Form should be signed by the Member as per the specimen signature registered with the Company/Depository Participant(s). In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder.A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. (Exercise of vote by Ballot is not permitted through proxy).

3. In case the shares are held by companies, financial institutions, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorization.

4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (√) mark in the column provided for assent/ dissent in the Ballot.

5. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut off date i.e 21st September, 2016 and as per the Register of Members of the Company.

6. Duly completed Ballot Form should reach the Scrutinizer not later than, 27th September, 2016. IST. Ballot Form received after 6.00 p.m on 27th September, 2016 will be strictly treated as if the reply from the Members has not been received.

7. A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in serial no. 6 above.

8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.

9. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.

10. The results along with Scrutinizer's Report, shall be placed on the Company's website www. hiltonmetal.com and on the website of the CDSL, immediatly after the results are declared and also communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Form No. SH-13
Nomination Form
[*Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014*]

To,
Hilton Metal Forging Limited
701, Palm Spring, Link
Road, Malad (West),
Mumbai-400064.

I/We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No	No.of Securities	Certificates No	Distinctive No.

(2) PARTICULARS OF NOMINEE/S —

(a) Name:

(b) Date of Birth:

(c) Father's/Mother's/Spouse's name:

(d) Occupation:

(e) Nationality:

(f) Address:

(g) E-mail id:

(h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR--

(a) Date of birth:

(b) Date of attaining majority:

(c) Name of guardian:

(d) Address of guardian:

Name:_____

Address: _____

_____

_____

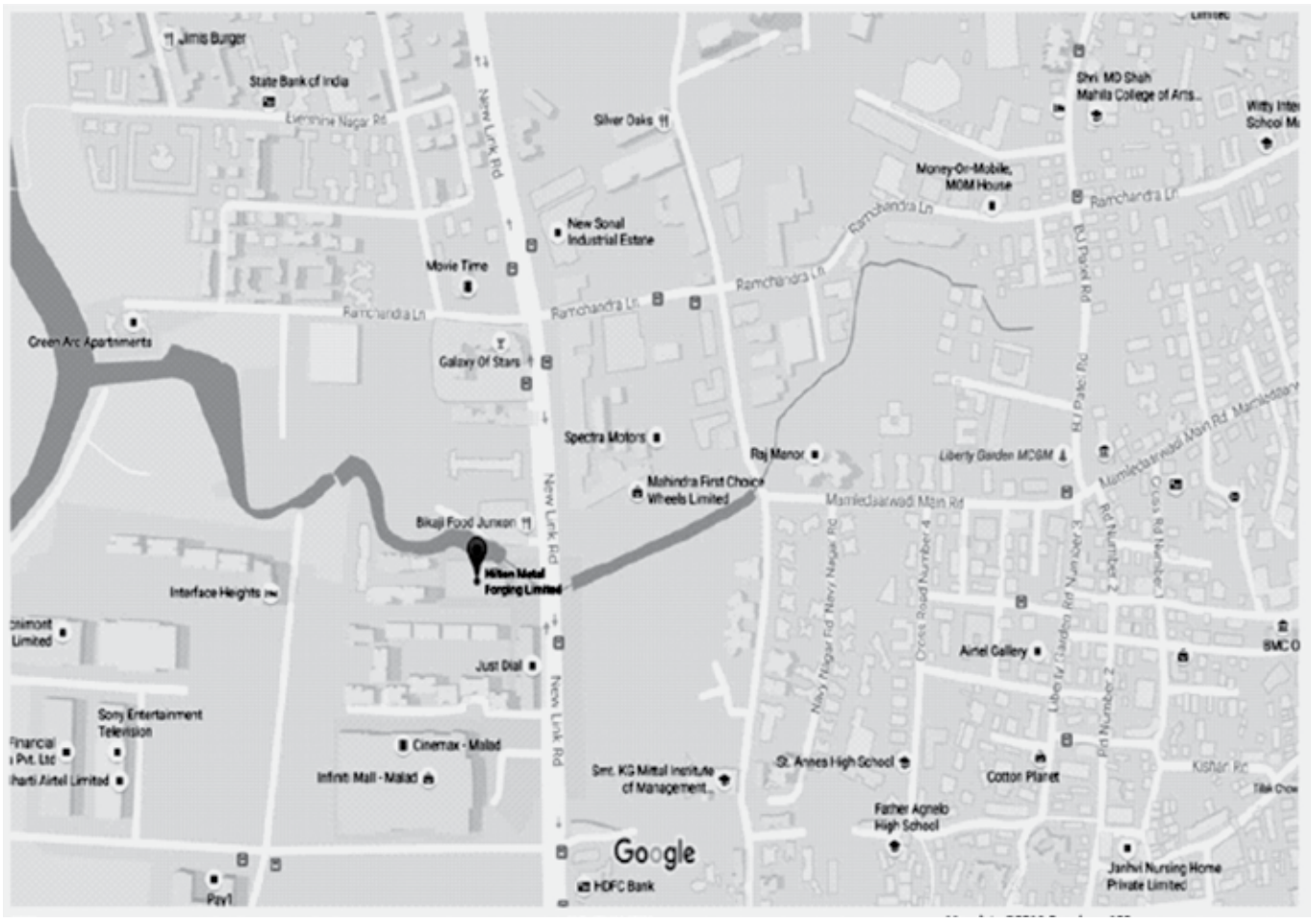
Name of the SecurityHolder(s):_____

Signature:_____

Witness with name and address:_____

AGM VENUE

701, Palm Spring, Link Road, Malad (West) Mumbai-400064.



if undelivered please return to:

HILTON
METAL FORGING LTD.

Corporate office:
HILTON METAL FORGING LTD.
701, Palm Spring, Palmcout Complex,
Link Road, Malad (West) Mumbai - 400 064.
Email: info@hiltonmetal.com Web: www.hiltonmetal.com

CRYSTAL (022) 6614 0900 • Info@crystalforms.com