Hilton Metal Forging Ltd.™
GOVT. RECOGNIZED EXPORT HOUSE
CIN : L-28900 MH 2005 PLC 154986

CORPORATE OFFICE :
204, TANISHKA COMMERCIAL BUILDING,
AKURLI ROAD, KANDIVALI (EAST)
MUMBAI – 400101

ISO 9001 2015
Certificate No.: 01 100 1837576
PED 2014/68/EU
and
AD-2000 MERKBLATT W0
Certificate No : 01 202 IND/O-14-0025
TÜV Rheinland CERTIFIED

REGISTERED OFFICE :
B-510, WESTERN EDGE-II,
N.R. WESTERN EXPRESS HIGHWAY,
MAGATHANE, BORIVALI EAST,
MUMBAI-400066

Date: 5th January, 2022

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 Code: HILTON**

Dear Sir/Madam,

Sub : Submission of 16th Annual report for the Financial Year 2020-21

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, we hereby submit 16th Annual report for the Financial Year 2020-21.

Kindly take the above on your record

Yours Faithfully,

For HILTON METAL FORGING LIMITED

Chairman & Managing Director
Yuvraj Malhotra

DIN:00225156

Encl: As above

HILTON
METAL FORGING LTD.

Annual Report 2020-2021

BOARD OF DIRECTORS

Shri Yuvraj Malhotra	Chairman and Managing Director
Shri Navraj Malhotra	Whole time Director
Shri Sandeep Ravindra Shah	Independent Director
Shri Sukesh Kumar Joshi	Independent Director
Shri Sanjay Jain	Independent Director
Shri Rajiv Verma	Independent Director
Shri Prithivish Mundra	Independent Director
Miss Nikita Natwarlal Moradia	Independent Director

COMPANY SECRETARY
Ms. Richa Shah
(Appointed w.e.f. 17th August, 2020)

CHIEF FINANCIAL OFFICER
Mr. Siddharth Jain
(Appointed w.e.f. 24th August, 2020)

STAUTORY AUDITORS
M/s Anil Bansal & Associates.
Chartered Accountants
1001 IJMIMA Complex,
Raheja's Metroplex, Link Road,
Malad (W), Mumbai – 400064

COST AUDITORS
Ms. Nikita Talati of Ms. NNT & Co
Cost Accountants
602 Silver Matru Prabha
Cama Lane, Kirol Road,
Ghatkopar West, Mumbai -400 086.

REGISTRAR & SHARE TRANSFER AGENTS
Link Intime India Pvt Ltd
C-101, 247 Park, LBS Marg,
Surya Nagar, Vikhroli West,
Mumbai 400 083

INTERNAL AUDITORS
M/s P Dangyach & Associates
Chartered Accountants
B 202 Sheraten Classic
Dr Charat Sing Colony
Chakala Andheri East,
Mumbai-400069

REGISTERED OFFICE
Unit B 510, Western Edge
II Village, Nr W E Highway,
Magathane, Borivali East, Mumbai -400066

PLANT LOCATION
Plot No 28, 29
Shah and Mehta Industrial Estate,
Village Ghonsai,
Taluka Wada, Dist Thane 421312.

CORPORATE OFFICE
204, Tanishka Commercial Building
Akurli Road, Near - Growel 101 Mall,
Kandivali - East Mumbai 400101.

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NOTICE

Notice is hereby given that the sixteenth Annual General Meeting of the Members of Hilton Metal Forging Limited will be held on Wednesday, 29th September 2021 at 4.00 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

Item No. 1 :Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March 2021 together with the report of the Board of Directors and Auditors Report thereon.

Item No. 2 : Appointment of Director

To appoint a Director in place of Mr. Yuvraj Hiralal Malhotra (DIN: 00225156) who retires by rotation and being eligible, offers himself for re-appointment

SPECIAL BUSINESS:

Item No.3 : Ratification of remuneration payable to Cost Auditor for the financial year 2021-2022

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), remuneration of Rs.55,000/- (Rupees Fifty Five Thousand only) per annum plus reimbursement of actual out-of-pocket expenses, to be paid to Ms. Nikita Talati of NNT & Co., Cost Accountants (Firm Registration No. R/100911), who are appointed by the Board of Directors of the Company (the 'Board' which expression shall be deemed to include any Committee thereof) as Cost Auditors of the Company to conduct the Audit of the Cost records for the Financial Year 2021 - 2022, be and is hereby ratified and approved."

"RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

For and On Behalf of Board of Directors

Sd/-
Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
Unit B, 510, Western Edge II Village
Nr. W.E.Highway, Magathane,
Borivali E, Mumbai- 400066

Date: 12th August, 2021
Place: Mumbai

NOTES:

1. In view of the continuing restrictions on the movement of persons at several places in the country caused by outbreak of COVID – 19, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, May 5, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (referred to as "SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), in respect of Special business(s) to be transacted at the AGM, is annexed hereto and forms part of this Notice.

3. The information required to be provided under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and Secretarial Standards- 2 on General Meetings in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the notice.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed to this Notice.

6. Closure of Books:

The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 23rd September, 2021 to Wednesday 29th September, 2021 (both days inclusive).

7. Investors Education and Protection Fund:

a) Pursuant to the provision of section 124 & 125 of the Companies Act 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred the unpaid or unclaimed dividend for the financial year 2012-13 to Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded on its website the details of unpaid and unclaimed amount lying with the Company for the financial year 2013-14. The Balance amount lying in unpaid Dividend Account for the Financial Year 2013-14 is due for transfer to IEPF on 3rd November, 2021.

Members who have not encashed their dividend for the above mentioned financial year and subsequently financial years are advised to write to the company immediately for claiming the dividend declared by the Company.

b) Pursuant to Section 124 (6) of Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 as amended, the shares in respect of which dividend is unclaimed for a period of seven consecutive years are required to be transferred by the Company to IEPF Authority.

In compliance with the said rules, the Company has transferred respected shares for Financial Year 2012-13 to DEMAT Account of IEPF Authority.

8. The voting rights of members shall be in proportion to their shareholding in the Company as on the cut-off date of Wednesday, 22nd September, 2021.

9. Institutional / Corporate Shareholders (i.e. other than individuals/ HUF/ NRI etc.) are required to send a scanned copy (PDF/ JPG Format) of it Board or governing body resolution / Authorisation etc. authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorisation shall be sent to the Scrutinizer by email through its registered email address to csshreyahshah@gmail.com with a copy marked to evoting@nsdl.co.in.

10. 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 are advised to make nomination in respect of their shareholding. Members holding shares in dematerialized form can lodge their nomination with their DP(s) and Member holding shares in physical form are required to fill and submit Form No. SH-13 (available on request) with the Company's RTA.

11. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), bank details, NECS, mandates, nominations etc., to their Depository Participant. Member holding shares in physical form are requested to intimate any of the above changes to the Company's RTA.

12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before are requested to send their queries in writing to Company at its' Corporate Office at 204, Tanishka Commercial Building, Akurli Road, Nr Growels 101 Mall, Kandivali East, Mumbai – 400101 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 or through email on secretarial@hiltonmetal.com.

13. Dispatch of Annual Report through electronic mode:

(a) In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the FY 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.hiltonmetal.com and on the website of BSE Limited at www.bseindia.com and NSE Limited www.nseindia.com and on the website of NSDL www.evoting.nsdl.com.

(b) For receiving all communication (including Annual Report) from the Company electronically, Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant and Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's RTA at https://web.linkintime.co.in/EmailReg/Email_Register.html or to the Company. Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card for updation of email address.

14. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on 26th September, 2021 at 09:00 A.M. IST and ends on 28th September, 2021 at 05:00 IST P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22nd September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22nd September, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?
   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
   (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6.	If you are unable to retrieve or have not received the " Initial password" or have forgotten your password: a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com. b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com. c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc. d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7.	After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8.	Now, you will have to click on "Login" button.
9.	After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csshreyahshah@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@hiltonmetal.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves with the Company on secretarial@hiltonmetal.com. The Speaker Registration will be open upto 22nd September, 2021. Only those members who are registered will be allowed to express their views or ask questions. Other shareholders may ask questions to the panellist, via active chat-board during the meeting
7. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
8. Please remember speaking serial number and start your conversation with panellist only when moderator of the meeting/ management will announce the name and serial number for speaking by switching on video mode and audio of your device.
9. **Scrutinizer's Report:**
   (a) The Company has appointed Ms. Shreya Shah (ACS 39409 and COP No. 15859), to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
   (b) The Scrutinizer shall after the conclusion of voting at the AGM, count the votes cast during the AGM and unblock the votes cast through remote e-voting and issue, within two working days of conclusion of the AGM, a Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
   (c) The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.hiltonmetal.com and on the website of NSDL immediately. The Company shall simultaneously forward the results to BSE Limited and NSE Limited, where the shares of the Company are listed.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice can be obtained for inspection by writing to the Company at secretarial@hiltonmetal.com till the date of the AGM.

For and On Behalf of Board of Directors

Sd/-
Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
Unit B, 510, Western Edge II Village
Nr. W.E.Highway, Magathane,
Borivali E, Mumbai- 400066

Date: 12th August, 2021
Place: Mumbai

ANNEXURE TO NOTICE

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

ITEM NO. 3:

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Ms. Nikita Talati of M/s NNT & Co., Cost Accountants, Mumbai as the Cost Auditors of the Company to conduct the audit of the Cost records for the financial year ending 31st March, 2022 at a remuneration of Rs.55,000/- (Rupees Fifty Five Thousand only) per annum plus reimbursement of actual out-of-pocket expenses.

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 and approved by the shareholders of the Company.

Therefore, consent of the members of the Company is being sought by way of an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors. Accordingly, the Board recommends the resolution as set out of Item no.3 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.

For and On Behalf of Board of Directors

Sd/-
Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
Unit B, 510, Western Edge II Village
Nr. W.E.Highway, Magathane,
Borivali E, Mumbai- 400066.

Date: 12th August, 2021
Place: Mumbai

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 16TH ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India]

Name of Director	**Mr. Yuvraj Hiralal Malhotra**
Nationality	Indian
Date of Birth	24-03-1963
Qualification	Engineering Graduate with specialization in Mechanical Engineering
Date of Appointment	21-07-2005
Expertise	Around 35 years of experience in Forging Industry and he is well verse with export market of forgings and allied products and looking after day to day affairs of the Company.
Directorships in other public companies as on 31st March, 2021	0
Chairman / Member of any other Committees as on 31st March, 2021	2
Shareholding in the Company as on 31st March, 2021 (Equity Share of Rs. 10/- Each)	5704559
Relationship between directors inter-se	Immediate relative of Navraj Malhotra

For and On Behalf of Board of Directors

Sd/-
Mr. Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Registered office:
Unit B, 510, Western Edge II Village
Nr. W.E.Highway, Magathane,
Borivali E, Mumbai- 400066.

Date: 12th August 2021
Place: Mumbai

DIRECTORS' REPORT

To
The Members
Hilton Metal Forging Limited

Your Directors have pleasure in presenting the Sixteenth Annual Report together with the Audited Financial Statements for the Financial Year (FY) ended 31st March, 2021.

1. FINANCIAL HIGHLIGHTS

(Rs in Lakhs)

Particulars	FY 2020-21	FY 2019-20
Total Income	4,769.81	10321.39
Total Expenses	7,119.80	10150.62
Profit Before Tax	**(2,349.99)**	**170.77**
Provision for Tax	(392.81)	(15.78)
Profit After Tax	**(1,957.17)**	**154.99**

2. COMPANY'S PERFORMANCE REVIEW

During the FY under review, the total revenue of the Company decreased to Rs. 4769.81 Lakhs (PY: Rs. 10321.39 Lakhs). During the year under review, Loss was recorded to Rs. 1,957.17 Lakhs (PY: PAT of Rs. 154.99 Lakhs).

3. CHANGE IN NATURE OF BUSINESS

There was no change in nature of business of the Company during the year under review.

4. TRANSFER TO RESERVES IN TERMS OF SECTION 134(3)(J) OF THE COMPANIES ACT, 2013

The Company has not transferred any amount to General Reserves during the FY under review.

5. DIVIDEND

Your Directors have not recommended any dividend for the FY 2020-21.

6. TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the declared dividends, which remains unpaid or unclaimed for a period of 7 (seven) years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF).

Accordingly, during the year, the Company has transferred the unpaid or unclaimed dividend for the period of 7 (seven) years from the date they became due for payment alongwith the shares thereof, to IEPF. The list of equity shareholders whose shares are transferred to IEPF can be accessed on the website of the Company.

The shareholders of the Company who have not received or encashed their dividend for the financial years as mentioned below, are requested to claim the unpaid / unclaimed dividend from the Company before its transfer to the abovementioned Fund.

Sr. No	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount (In Rs.)	Due Date for transfer to IEPF Account
1	2013-14	27-09-2014	46,134	03-11-2021
2	2014-15	30-09-2015	68,632	06-11-2022
3	2015-16	NA	-	-
4	2016-17	NA	-	-
5	2017-18	NA	-	-
6	2018-19	NA	-	-
7	2019-20	NA	-	-

7. PUBLIC DEPOSITS

During the FY under review, the Company has not accepted any deposits from the public and as such, there are no outstanding deposits within the purview of section 73 of the Companies Act, 2013 and rules made thereunder.

8. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint Venture or Associate Company.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT

No material changes and commitments, which could affect the Company's financial position, have occurred between the end of the financial year and the date of this Report

10. .EXTRACT OF ANNUAL RETURN

The extracts of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 (as amended), forms part of this Report and marked as "**Annexure I"**

11. DIRECTORS AND KEY MANAGERIAL PERSONNELS

a) Composition of Board and Key Managerial Personnel

The Board is constituted with an optimum combination of Executive and Non-Executive Directors in accordance with the requirements of the Act read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"). During the FY under review, no changes took place in the composition of the Board.

Appointment/Re-appointment of Directors in AGM

In terms of provisions of the Companies Act, 2013, Mr. Yuvraj Malhotra, Chairman and Managing Director of the Company, will retire by rotation at the ensuing Annual General Meeting in pursuance of Section 152 of the Act and being eligible, and offers himself for re-appointment. The Board recommends his re-appointment.

As stipulated under the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief resume of the Director proposed to be appointed/re-appointed is given in the Notice convening 16th Annual General Meeting.

Key Managerial Personnel

During the FY under review, the Company has appointed Ms. Richa Shah as Company Secretary and Compliance Officer of the Company w.e.f. 17th August, 2020 and Mr. Siddharth Jain as Chief Financial Officer of the Company w.e.f. 24th August, 2020.

Pursuant to the provisions of Sections 2(51), and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Yuvraj Malhotra, Managing Director, Mr. Siddharth Jain, Chief Financial Officer and Ms. Richa Shah, Company Secretary are the Key Managerial Personnel of the Company as on 31st March 2021.

b) Declaration by Independent Director(s)

The Company has received declarations from all the Independent Directors of the Company affirming compliance with the criteria of independence laid under the provisions of Section 149(6) of the Act and under Regulation 16 (1) (b) of Listing Regulations.

c) Board Meetings

During the year under review, the Company held Five Board Meetings and a separate meeting of Independent Directors. The details of meetings of the Board are provided in the Report on Corporate Governance that forms part of this Annual Report. The maximum interval between any two meetings did not exceed the gap prescribed under the Act read with Circulars issued thereunder.

d) Performance Evaluation of the Board

Pursuant to the provisions of the Act, 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.

e) Committees of the Board

The Board has constituted a set of committees in accordance with the requirements of the Act. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The statutorily mandated committees constituted under the provisions of the Act and Listing Regulations are Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The composition, terms of reference and other such necessary details of these Board level committees are provided in the Corporate Governance Report forming part of this Annual Report.

f) Nomination and Remuneration policy

Pursuant to the Provision of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation and on recommendation of the Nomination and Remuneration Committee, the Board of Directors has adopted a policy on Criteria for Selection and Appointment of Directors, Senior Management Personnel and their remuneration. Nomination and Remuneration policy is applicable to all Directors, Key Managerial Personnel (KMP), Senior Management team and other employees of the Company and the same has been annexed to this Report and marked as **"Annexure-II"** and is also available on the Company's Website www.hiltonmetal.com.

g) Vigil Mechanism

As per the provisions of Section 177(9) of the Companies Act, 2013 the Company has formulated Whistle Blower Policy and is required to establish a vigil mechanism for Directors and Employees. The Whistle Blower Policy can be accessed on the Company's website www.hiltonmetal.com.

12. 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 2021 and confirm that:

a. in the preparation of the annual accounts, for financial year 2020-21, the applicable accounting standards had been followed and there are no material departures from the same;

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 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.

13. PREVENTION OF INSIDER TRADING

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and adopted the revised "Code of Conduct to regulate, monitor and

report trading by designated persons in Listed or Proposed to be Listed Securities" of the Company ("the Insider Trading Code"). The object of the Insider Trading Code is to set framework, rules and procedures which all concerned persons should follow, while trading in listed or proposed to be listed securities of the Company. During the year, the Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("the Code") in line with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018 and formulated a Policy for determination of 'legitimate purposes' as a part of the Code. The Code also includes policy and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information (UPSI) and aims at preventing misuse of UPSI. The Code is available on the Company's website www.hiltonmetal.com.

14. RISK MANAGEMENT

The Company implemented an integrated risk management approach though which it reviews and assesses significant risks on a regular basis to ensure that a robust system on risk controls and mitigation is in place. Senior management periodically reviews this risk management framework to keep update and address emerging challenges.

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

Provisions of Section 135 of Companies Act, 2013 are not applicable to the Company.

16. REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance as stipulated under Listing Regulations forms an integral part of this Annual Report. Certificate from the Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the report on Corporate Governance.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, forms an integral part of this Annual Report.

18. AUDITORS

a) **STATUTORY AUDITORS AND THEIR REPORT:**

M/s. Anil Bansal & Associates, Chartered Accountants, has been appointed as statutory auditors of the Company by the shareholders of the Company from the conclusion of 13th Annual General Meeting till the conclusion of the 18th Annual General Meeting.

The Company have received a confirmation from them to the effect that their appointment, if made, would be within the prescribed limits U/s 141 of the Companies Act, 2013 and the Rules framed thereunder.

The observations and comments given by the Auditors in their report read together with notes to Accounts are self explanatory and hence do not call for any further comments under section 134 of the Companies Act, 2013.

Further the Auditors' Report for the financial year ended, 31st March, 2021 is annexed herewith for your kind perusal and information.

b) **COST AUDITORS AND THEIR 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 are required to be audited. In view of above, the Board has appointed to Ms. Nikita Talati of M/s NNT & Co, Cost Accountants as the Cost Auditor of the Company for conducting the Cost Audit for the Financial year 2020-21.

The Board of Directors of the Company, on the recommendations made by the Audit Committee, have appointed M/s. Ms. Nikita Talati of M/s NNT & Co, as the Cost Auditors of the Company to conduct the audit of cost records for the financial year 2021-22. Ms. Nikita Talati, being eligible, have consented to act as the Cost Auditors of the Company for the financial year 2021-22. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor forms part of the Notice convening the 16th Annual General Meeting.

c) **SECRETARIAL AUDITOR AND THEIR REPORT:**

Pursuant to the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (as amended) the Company has appointed Ms. Shreya Shah, Practicing Company Secretary (Membership No. 39409) for conducting Secretarial Audit of the Company for the financial year ended on 31st March, 2021.

The Secretarial Audit Report for the financial year ended 31st March, 2021 is annexed herewith and marked as **'Annexure III'** to this Report. In the Report, the Secretarial Auditor has observed that following:

i. Non-filing of Foreign Liabilities and Assets return for the year ended 31st March, 2020

Directors Comments:

Directors are of the view that the said provisions are not applicable.

ii. Delay in transfer of the equity shares in respect of which dividends were not claimed for the continuous period of seven years by any shareholders, to the IEPF authority in accordance with Section 124 of the Companies Act, 2013 read with rules framed thereunder.

Directors Comments:

The procedural delay was caused in finalizing corporate action at RTA office due to lock down consequent to Covid-19 Pandemic

iii. Non-Appointment of Chief Financial Officer as Key Managerial Personnel for the period from 1st April, 2020 to 23rd August, 2020.

Directors' Comments:

In case of Chief Financial Officer, the Company has resumed interview process of the candidates to fill in the vacancy caused after the resignation of Chief Financial Officer in the month of February 2020. However due to lock down consequent to Covid-19 Pandemic, the delay was caused in shortlisting the right candidate and the said vacancy was filled on 24th August, 2020.

iv. Non-Appointment of Qualified Company Secretary as Key Managerial Personnel and Compliance Officer from 1st April, 2020 to 16th August, 2020.

The Company has shortlisted Company Secretary in the Month of February, 2020 who was to join from the month of May 2020 to fill in the vacancy caused after the resignation of Company Secretary in the month of November 2019. However due to lock down consequent to Covid-19 Pandemic, the selected candidate has delayed in joining and thus the appointment was made on 17th August, 2020.

v. Non-submission of disclosure of related party transactions for half year ended 30th September, 2020

Directors Comments:

No material related party transactions were undertaken for half year ended 30th September, 2020. The Company had received review notices from the exchanges for the alleged non-compliance for which waiver request application along with requisite clarifications was submitted to the exchanges. Thereafter, no further correspondence was received from the exchanges in this regard.

d) Internal Auditor & their reports

Pursuant to the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s. P Dangyach & Associates., Chartered Accountants as the Internal Auditors of the Company.

The Internal Audit reports are reviewed by the Audit Committee on periodic basis.

e) Reporting of fraud by Auditors

During the FY under review, the Auditors of the Company have not identified or reported any fraud as specified under Section 143(12) of the Companies Act, 2013 to the Audit Committee.

19. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls system, commensurate with the size, scale and complexity of its operation. The scope and authority of the Internal Audit function is well defined. The Internal Auditor reports to the Chairman of the Audit Committee. Based on the report of internal audit, management undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

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.

20. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, disclosures on particulars relating to loans, advances and investments as on 31st March 2021 are given in the Notes to the Financial Statements. There are no guarantees issued, or securities provided by your Company in terms of Section 186 of the Companies Act, 2013, read with the Rules issued thereunder.

21. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties during the FY were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. 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.

22. 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 FY under review.

23. 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 Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith and marked as **"Annexure-IV"**

24. PARTICULARS OF EMPLOYEES:

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, 2021 and is attached to this Report and marked as **"Annexure V"**

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.

25. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various practices and always endeavors to provide an environment that is free from discrimination. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. The Company also ensures all allegations of sexual harassment are investigated and dealt with effectively and appropriately.

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended 31st March, 2021, the Company has not received any complaints of sexual harassment.

25. 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.

26. 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. The Company ensures compliance of the Companies Act, 2013; SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and various statutory authorities on quarterly basis in the Board Meeting.

Compliance with Secretarial Standards

During the year under review, the Company has complied with all the applicable mandatory Secretarial Standards.

27. APPRECIATION & ACKNOWLEDGEMENTS:

The Board of Directors would like to express their sincere appreciation for the commitment, dedication and hard work done by the employees of the Company and the positive co-operation extended by Banks, Government Authorities, Customers and various other stakeholders. The Board also wish to place on record their deep gratitude towards the shareholders for their continued support and confidence.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 12th August, 2021

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

ANNEXURE-I

FORM NO. MGT-9

Extract of the Annual Return as on the financial year ended 31st March, 2021

(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**:
Unit B, 510, Western Edge II Village
Nr. W.E.Highway, Magathane,
Borivali E, Mumbai- 400066
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**:

Link Intime India Private Limited.
C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400 083
E-mail - priya.yadav@linkintime.co.in
Ph: 022 4918 6270
Fax :022 4098 6060
Website: www.linkintime.co.in
Contact Person: Ms. Priya Yadav

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 share-holders	No. of shares held at the beginning of the year (As on 01.04.2020)				No. of shares held at the end of the year (As on 31.03.2021)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	**6248497**	**-**	**6248497**	**50.216**	**6264097**	**-**	**6264097**	**50.342**	**0.125**

Category of share-holders	No. of shares held at the beginning of the year (As on 01.04.2020)				No. of shares held at the end of the year (As on 31.03.2021)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**6248497**	**-**	**6248497**	**50.216**	**6264097**	**-**	**6264097**	**50.342**	**0.125**
(2) Foreign									
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)	6248497	-	6248497	50.217	6264097	-	6264097	50.342	0.125
B. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1404	-	1404	0.011	859	-	859	0.007	-0.004
c) Central Govt	24455	-	24455	0.196	24455	-	24455	0.196	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**25859**	**-**	**25859**	**0.208**	**25314**	**-**	**25314**	**0.203**	**-0.004**
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	**132108**	**-**	**132108**	**1.062**	**111794**	**-**	**111794**	**0.898**	**-0.163**
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3690826	5	3690831	29.662	3693464	5	3693469	29.683	0.021

Category of share-holders	No. of shares held at the beginning of the year (As on 01.04.2020)				No. of shares held at the end of the year (As on 31.03.2021)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1758369	-	1758369	14.131	1801062	-	1801062	14.474	0.343
c) Others (specify)									
Trusts	-	-	-	-	-	-	-	-	-
Clearing member	33896	-	33896	0.272	21013	-	21013	0.169	-0.103
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians	91155	-	91155	0.733	99223	-	99223	0.797	0.065
Overseas Corporate Bodies	150000	-	150000	1.205	150000	-	150000	1.205	-
HUF	312301	-	312301	2.510	277044	-	277044	2.227	-0.283
Sub-total (B)(2):	6168655	5	6168660	49.575	6153600	5	6153605	49.454	-0.12
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6194514	5	6194519	49.783	6178914	5	6178919	49.658	-0.124
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**12443011**	**5**	**12443016**	**100**	**12443011**	**5**	**12443016**	**100**	**-**

(ii) **Shareholding of Promoters**

Shareholders Name	No. of shares held at the beginning of the year (As on 01.04.2020)			No. of shares held at the end of the year(As on 31.03.2021)			%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	
YUVRAJ HIRALAL MALHOTRA	5688959	45.72	44.812	5704559	45.845	0	0.125
DIKSHA YUVRAJ MALHOTRA	403885	3.246	0	403885	3.246	0	0
NAVRAJ MALHOTRA	149653	1.203	0	149653	1.203	0	0
SEEMA GUJRAL	6000	0.048	0	6000	0.048	0	0

(iii) **Change in Promoters' Shareholding**

		Shareholding at the beginning of the year (As on 01.04.2020)		Cumulative Shareholding during the Year (As on 31.03.2021)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Yuvraj Hiralal Malhotra					
At the beginning of the year		5688959	45.720		
Changes during the year					
Date	**Reason**				
30-09-2020	Buy	1500	0.012	5690459	45.732
02-10-2020	Buy	6500	0.052	5696959	45.784

09-10-2020	Buy	7600	0.061	5704559	45.845
At the End of the year		5704559	45.845		

(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 01.04.2020)		Cumulative Shareholding during the Year (As on 31.03.2021)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. SANGEETHA S					
At the beginning of the year		408670	3.284		
Changes during the year		No change during the year			
At the End of the year		408670	3.284		
2. DEEPAK GUPTA					
At the beginning of the year		243166	1.954		
Changes during the year		No change during the year			
At the End of the year		243166	1.954		
3. EVENORT LTD					
At the beginning of the year		150000	1.205	150000	1.205
Changes during the year		No Change During the year			
At the End of the year		150000	1.205	150000	1.205
4. PRADEEP PRABHAKAR RAO					
At the beginning of the year		95107	0.764	95107	0.764
Changes during the year		No Change During the year			
At the End of the year		95107	0.764	95107	0.764
5. YATIN GUPTA					
At the beginning of the year		91907	0.739	91907	0.739
Changes during the year		No Change During the year			
At the End of the year		91907	0.739	91907	0.739
6. NANDRE RANADHER					
At the beginning of the year		56646	0.455		
Changes during the year					
Date	**Reason**				
12-06-2020	Buy	1645	0.013	58291	0.4685
06-11-2020	(Sell)	(1645)	(0.013)	56646	0.4552
20-11-2020	Buy	1645	0.013	58291	0.4685
27-11-2020	(Sell)	(1645)	(0.013)	56646	0.4552
04-12-2020	Buy	1645	0.013	58291	0.4685
11-12-2020	(Sell)	(1645)	(0.013)	56646	0.4552
18-12-2020	Buy	1645	0.013	58291	0.4685
At the End of the year		58291	0.4685		
7. CHIRAG SHANTILAL SHAH					
At the beginning of the year		52352	0.421		
Changes during the year		No Change During the year			
At the End of the year		52352	0.421		

		Shareholding at the beginning of the year (As on 01.04.2020)		Cumulative Shareholding during the Year (As on 31.03.2021)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8. SANJAYKUMAR VISHWAMBHARLAL DHANDHAR					
At the beginning of the year		50000	0.402		
Changes during the year		No Change During the year			
At the End of the year		50000	0.402		
9. KIRAN JAYAWANT SHINDE					
At the beginning of the year		0	0		
Changes during the year					
Date	**Reason**				
15-01-2021	Buy	13940	0.112	13940	0.112
22-01-2021	Buy	25719	0.207	39659	0.318
29-01-2021	Buy	2000	0.016	41659	0.334
05-02-2021	Buy	1095	0.009	42754	0.343
12-02-2021	Buy	2100	0.017	44854	0.360
26-02-2021	Buy	3000	0.024	47854	0.384
05-03-2021	Buy	2095	0.017	49949	0.401
At the End of the year		49949	0.401		
10. PRANAV SATISH DOSHI					
At the beginning of the year		48000	0.386	48000	0.386
Changes during the year		No Change during the Year			
At the End of the year		48000	0.386	48000	0.386

(v) Shareholding of Directors and Key Managerial Personnel:

		Shareholding at the beginning of the year (As on 01.04.2020)		Cumulative Shareholding during the Year (As on 31.03.2021)	
		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		5688959	45.720		
Changes during the year					
Date	**Reason**				
30-09-2020	Buy	1500	0.012	5690459	45.732
02-10-2020	Buy	6500	0.052	5696959	45.784
09-10-2020	Buy	7600	0.061	5704559	45.845
At the End of the year		5704559	45.845		
Mr. Navraj Hiralal Malhotra (Whole time director)					
At the beginning of the year		149653	1.20		
Changes during the year		No Change During the year			
At the End of the year		149653	1.20		
Mr. Sanjay Suresh Jain (Director)					

	Shareholding at the beginning of the year (As on 01.04.2020)		Cumulative Shareholding during the Year (As on 31.03.2021)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
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. Sukesh Kumar Joshi (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. Sandeep Ravindra Shah (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. Prithivish Mundra (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
Mrs. Nikita Moradia (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. Siddharth Jain (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. Richa Shah (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.Siddharth Jain was appointed as Chief Financial Officer w.e.f. 24th August, 2020*

*** Ms. Richa Shah was appointed as Company Secretary w.e.f. 17th August, 2020*

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 Indebted-ness
Indebtedness at the beginning of the financial year i.e. 1st April, 2020 i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	**4156.81**	**296.25**	-	**4453.06**
Total (i+ii+iii)	**4156.81**	**296.25**	**-**	**4453.06**

Change in Indebtedness during the financial year • Addition • Reduction	**1350.45**	**-101.70**	**-**	**1248.75**
Net Change	**1350.45**	**-101.70**	**-**	**1248.75**
Indebtedness at the end of the financial year i.e. 31st March, 2021 i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	**5507.26**	**194.55**	-	**5701.81**
Total (i+ii+iii)	**5507.26**	**194.55**	**-**	**5701.81**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rs.)

Particulars of Remuneration	**Mr. Yuvraj Hiralal Malhotra (Managing Director)**	**Mr. Navraj Hiralal Malhotra (Whole-time Director)**	**Total Amount**
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	24,00,000	**24,00,000**
(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	-	24,00,000	
Total (A)			**24,00,000**
Ceiling as per the Act	Within the limits as approved by the Shareholders		

B. Remuneration to other directors:

(In Rs.)

Particulars of Remuneration				
Independent Directors	**Mr. Sukesh Kumar Joshi**	**Mr. Sandeep Shah**	**Mr. Prithivesh Mundra**	**Mrs Nikita Moradia**
• Fee for attending board / committee meetings	20000	50000	20000	20000
• Commission	-	-	-	-
• Others	-	-	-	-
Total	**20000**	**50000**	**20000**	**20000**
Total (B)				**1,10,000**
Total Managerial Remuneration (A+B)				**25,10,000**

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

(In Rs.)

Particulars of Remuneration	**Key Managerial Personnel**		**Total Amount**
	Mr. Siddharth Jain (CFO)*	**Ms. Richa Shah (Company Secretary)****	**Total**
Gross salary	-		-
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,80,000	3,60,000	**8,40,000**
(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	4,80,000	3,60,000	**8,40,000**

** Mr.Siddharth Jain was appointed as Chief Financial Officer w.e.f. 24th August, 2020*

*** Ms. Richa Shah was appointed as Company Secretary w.e.f. 17th August, 2020*

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

REMUNERATION POLICY OF HILTON METAL FORGING LIMITED FOR THE MEMBERS OF

BOARD AND EXECUTIVE MANAGEMENT

1. Preamble:

1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression ''senior management'' means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

1.2 The policy would be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.

2. Aims & Objectives

2.1 The aims and objectives of this remuneration policy may be summarized as follows:

2.1.1 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members for the Board and Executive level.

2.1.2 The remuneration policy seeks to enable the company to provide a well balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

2.1.3 The remuneration policy will ensure that the interests of Board members & Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.

2.1.4 The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. Principles of remuneration

3.1 Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.

3.2 Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

3.3 Internal equity: The Company shall remunerate the board members and the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.

3.4 External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.

3.5 Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.

3.6 Performance-Driven Remuneration: The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.

3.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

4. Nomination and Remuneration Committee

4.1 The Remuneration and Compensation Committee of the Board of Directors shall be re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.

4.2 The Committee shall be responsible for

4.2.1 Formulating framework and/or policy for remuneration, terms of employment including service contracts,policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;

4.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to

the Board a policy, relating to the remuneration for the Director.

4.2.3 Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.

4.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

4.3 The Committee shall:

4.3.1 review the ongoing appropriateness and relevance of the remuneration policy;

4.3.2 ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;

4.3.3 obtain reliable, up-to-date information about remuneration in other companies;

4.3.4 ensure that no director or Executive is involved in any decisions as to their own remuneration.

4.4 Without prejudice to the generality of the terms of reference to the Nomination and Remuneration Committee set out above, the Committee shall:

4.4.1 operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment); 4.4.2 liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors and Director should possess the highest personal and professional ethics, integrity and

4.4.3 review the terms of executive Directors' service contracts from time to time.

5 Procedure for selection and appointment of the Board Members

5.1 Board membership criteria The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations. In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust. The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

5.2 Selection of Board Members/ extending invitation to a potential director to join the Board 6 Procedure for selection and appointment of Executives other than Board Members

6.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;

6.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, if any, and on the human resources market;

6.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;

6.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;

6.5 Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;

6.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors. One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate

member. The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

7. Compensation Structure

(a) 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. (b) Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) &

(b) 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.

8. Role of Independent Directors

8.1 The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval

8.2 The Independent Directors shall have power and authority to determine appropriate levels of remuneration of executive directors and Employees and have a prime role in appointing and where necessary recommend removal of executive directors and Employees.

8.3 The Independent Directors shall submit its recommendations/ proposals/ decisions to the Committee which the Committee shall consult and take to the Board of Directors.

9.Approval and publication

9.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.

9.2 This policy shall be hosted on the Company's website.

9.3 The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013

10 Supplementary provisions

10.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.

10.2 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.

10.3 The right to interpret this Policy vests in the Board of Directors of the Company.

ANNEXURE III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

[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
Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions 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 2021. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021, 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. I have relied on and examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021, according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

   (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) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      (c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and

      (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 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:

   (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

   (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and

   (vi) 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 my opinion, adequate system and process exists in the company to monitor and ensure compliances with the provisions of general laws and there are no Laws and Regulations applicable specifically to the Company having regard to the sector/industry of the Company as identified and confirmed by the management.

5 I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

1. Non-filing of Annual Return on Foreign Liabilities and Assets for the financial year ended on 31st March 2021 within the due date as prescribed under Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
2. Delay in transfer of the equity shares in respect of which dividends were not claimed for the continuous period of seven years by any shareholders, to the IEPF authority in accordance with Section 124 of the Companies Act, 2013 read with rules framed thereunder (*Since complied*);
3. Section 203 0f the Companies Act, 2013- Non-appointment of Chief financial officer for the period from 1st April, 2020 to 23rd August, 2020 *(Since complied)*;
4. Regulation 6(1) of SEBI (LODR), Regulations 2015- Non-appointment of Qualified Company Secretary as the compliance officer for the period from 1st April, 2020 to 16th August, 2020 (*since complied*); and
5. Regulation 23(9) of SEBI (LODR), Regulations 2015- Non-submission of disclosure of related party transactions for half year ended 30th September, 2020. As represented by the management of the Company, no material related party transactions were undertaken for half year ended 30th September, 2020.

I 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.

I 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. The changes in the composition of the Board of Directors that 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 generally sent 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. All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I 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.

I further report that during the audit period under review, no events/actions occurred which had major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc. referred to above.

Date: 11th August, 2021

Place: Mumbai

SHREYA SHAH
Practising Company Secretary
Mem No. A39409/CoP: 15859
UDIN: A039409C000772119

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

ANNEXURE- A

The Members,
HILTON METAL FORGING LIMITED
Mumbai

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whenever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period. Due to ongoing COVID19 pandemic and consequent lock-down imposed, I could not verify the compliance documents physically for the period under review and the reliance has been placed on the scanned documents obtained through electronic mode.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.

Date: 11th August, 2021

Place: Mumbai

SHREYA SHAH
PractisingCompany Secretary
Mem No. A39409/CoP: 15859
UDIN: A039409C000772119

ANNEXURE-IV
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, and the 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 equipment's.
8. Awareness and training programs for employees

(ii) Additional investment proposals, if any, being implemented for reduction of consumption of energy.

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) Impact of the above measures for reduction of energy consumption and consequent impact of the cost of the production of goods

On account of the measures taken and proposed to be taken, the Company is confident of improving raw material yield and reduce the cost incurred towards fuel costs. The measures taken will in turn help to reduce the cost of production of the goods and will make our products more competitive.

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:

a) Improved competitive position through significantly improved products for new markets.

(b) Improved competency in designing process & products for customers.

(c) Upgradation of technical skill of employees for higher productivity & more consistent quality.

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

(iv) Expenditure incurred on Research and Development:

The Company has been continuously putting effort to develop new products for other segments. The Company is doing many research activities in the areas of component weight reduction, process design, process improvement etc.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign Exchange Earning	(FOB) Rs 1192.92 Lacs
Foreign Exchange Outgo	For expenses Rs. 77.29 Lacs
	For Purchases 38.33 Lacs

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 12th August, 2021

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

ANNEXURE-V

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 2020-21, ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

(In Rs.)

Sr. No.	Name of the Director/KMP and Designation	Remuneration of Director/KMP for the financial year 2020-21	% increase in Remuneration in the financial year 2020-21	Ratio of the remuneration of each director to the median remuneration of the employees
1	Mr. Yuvraj Hiralal Malhotra (Managing Director)	-	-	-
2	Mr. Navraj Hiralal Malhotra (Whole Time Director)	24,00,000	-	71.64%
3	Mr. Sanjay Suresh Jain (Independent Director)	-	-	-
4	Mr. Sukesh Kumar Joshi (Independent Director)	20,000 (Sitting Fees)	-	-
5	Mr. Sandeep Shah (Independent Director)$	50,000 (Sitting Fees)	-	-
6	Mr. Prithivesh Mundra@ (Independent Director)	20,000 (Sitting Fees)	-	-
7	Ms. Nikita Moradia (Independent Director)+	20,000 (Sitting Fees)	-	-
8	Mr. Siddharth Jain (Chief Financial Officer)>	4,80,000	-	-
9	Ms. Richa Shah* (Company Secretary)	3,60,000	-	-

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

The % increase in median remuneration of employee is Nil. No upward revision

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

137 employees as on the rolls of Company as on 31st March, 2021

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 in F.Y. 2020-21	Average percentile increase in managerial remuneration in F.Y. 2020-21	Justification
Nil	**Nil**	

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

The Company's remuneration policy is driven by success and performance of the individual employees and the company. Remuneration paid during the year ended 31st March, 2021 is as per Remuneration policy of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 12th August, 2021

Yuvraj Malhotra
Chairman & Managing Director
DIN:00225156

Management Discussion and Analysis

Industry structure and developments

The global metal forging market size was valued at USD 83.9 billion in 2020 and is expected to witness a CAGR of 5.1% from 2020 to 2027.

The rising passenger traffic is propelling the worldwide production of aircraft, which is anticipated to be one of the key factors driving the demand for metal forging. The growing passenger traffic from highly populated countries such as China and India are compelling airlines to increase their number of flights. However, the market has been severely affected by the COVID-19 pandemic. Market players were forced to temporarily suspend their operations, affecting the entire value chain, from raw material suppliers to manufacturers and end-users. The market is expected to stabilize in the forecast period as end-use industries, such as automotive, aerospace, and construction, have resumed operations. Therefore, the development of the aerospace sector would lead to a subsequent rise in demand for metal forging.

Strict regulations pertaining to the use of high-performance lightweight components in the aerospace and automotive industries drive the demand for metal forging, particularly for aluminum and titanium materials.

The automotive industry is a major end user for metal forging. The durability, strength, and reliability of forged components have made them a preferred choice in the automotive sector for applications where stress, load, tension, and human safety are key considerations. Therefore, the growth in automotive production such as electric vehicles is anticipated to drive the demand for metal forging over the forecast period.

On the other hand, alternative component manufacturing processes, particularly casting, is expected to hinder the demand for metal forging. Factors such as advancements in technology and low cost characteristics drive manufacturers to opt for casting as a preferable method over forging for producing components such as transmission parts and crankshafts.

Forging is traditionally considered as the back bone of manufacturing industry. It is a major input to the sectors which support economic growth of the nation, such as, Automobile, Industrial Machinery, Power, Construction & Mining Equipment, Railways and General Engineering.

The Indian forging industry is well recognised globally for its technical capabilities. With an installed capacity of around 38.5 lakh MT, Indian forging industry has a capability to forge variety of raw materials like Carbon steel, alloy steel, stainless steel, super alloy, titanium, aluminium and so forth, as per the requirements of user industry.

Over the years, the Indian forging industry has evolved from being a labour-intensive industry to capital-intensive manufacturing sector. The current investment in the plant and machinery by Indian forging companies is worth of INR 37,926 Crore.

Based on their installed capacity, the forging units may be classified as very large (capacity above 80,000 MT), large (capacity above 45,000 to 95,000 MT), medium (capacity above 12,500 to 30,000 MT), small (capacity above 5,000 to 12,500 MT) and very small (capacity up to 5,000 MT). Based on this classification it is seen that about 83% of the total number of units are small and very small, while only about 8% can be classified as very large and large units; the balance of about 9% constitute the medium sized units.

The forging industry of India provides direct employment to about 86,000 people. The small and very small units are mainly dependant on manual labour, however medium and large units are more mechanized. Quality standards in the industry have improved significantly and the sector is now well known globally for its high quality.

Current share of auto sector is about 49% of total forging production while the rest is with the non-auto sector. Changes in Indian automobile industry directly impact Indian forging industry, because the forging components form the backbone of the Indian automobile industry.

Since the automobile industry is the main customer for forgings the industry's continuous efforts in upgrading technologies and diversifying product range has enabled it to expand its base of customers to foreign markets.

The Indian forgings industry has made rapid strides and currently, not only meets almost all the domestic demand, but has also emerged as a large exporter of forgings.

The industry is increasingly addressing opportunities arising out of the growing trend among global automotive OEM's (Original Equipment Manufacturers) to outsource components from manufacturers in low-cost countries. As a result, the industry has been making significant contributions to country's growing exports.

In order to reduce the impact of cyclicality and dependence on auto sector, the industry plans to diversify into non-automotive sectors.

Impact of COVID-19 pandemic

Work activity is stopped, but in "the new normal" research and development, and analysis, continues — even if much of that analysis is focused on getting back to something like the old normal.

"COVID-19 is a clear point of demarcation in the (manufacturing) industry, accelerating the transition from traditional supply chains and manufacturing to a digitally enabled future Among these manufacturers, Fictiv's research showed 89% of manufacturing businesses were directly impacted by the COVID-19 pandemic, including lower sales, increased costs of materials and production, and canceled or delayed product launches. Among the unexpected problems resulting from the shutdowns, 41% of manufacturers noted costs of materials and components increased and another 41% reported production lead-times have lengthened.

Manufacturers' strategic planning also felt the effect, again with 41% revealing that new-product launches have been delayed or cancelled; 36% have had to lay off "good employees"; and 29% have had difficulty securing financing; while 27% have reduced their budgets for R&D and product or service innovation.

Also among Fictiv's respondents, 24% of manufacturers were unable to fill their customers' orders. The "supply chain" disruption will be felt keenly by forging producers, whose high-volume orders are components and systems destined for automakers and their Tier suppliers, aircraft manufacturers, and builders of heavy equipment; and whose lower-volume programs supply critical infrastructure projects, like oil drilling and power-generation projects.

AIFI (Association of Indian Forging Industries.) says despite the industry witnessing growth in the recent past, there are few concerns which seems to hamper the overall growth in the long run including the rising steel prices and demand supply gap, high electricity tariff rates in Maharashtra region, rising fuel prices, government's thrust on electric vehicles and technology upgradation and modernisation.

Steel prices and demand supply gap: The forging industry in India has been showing a growth trend since last one year. However, there seems to be a huge demand supply gap, which exists, which is not being met by the steel manufacturers in India. Some of the reasons that can be attributed to the demand supply gap include -major players reeling under high debts, lower coal production by Coal India, as compared to the demand and gap in the quality standards to meet the higher level of demand in the automobile and significant rise in prices of graphite electrodes, an immensely vital raw material for steel manufacturers.

Forging industry says it is also concerned over the continuous rise of steel prices in India and is living under constant fear that if this trend continues, then it will defeat the 'Make in India' project and China will get a competitive edge in the world steel market, which as of now is the biggest steel exporter. The steel prices have deflated by around 46.86 percent in the last one year. The price of steel has gone down to Rs 28,256 per tonne, compared to Rs 47,740 per tonne in November 2019-20. Even though the global steel prices also witnessed immense the quantum influences was not as high.

High electricity tariff rates in Maharashtra: On one hand manufacturing industries across India are extensively promoting the government's Make in India initiative and on the other hand the manufacturing industries in Maharashtra are grappling with serious concerns related to high electricity tariff rates. According to the figures released by Maha discom last year, the state has lost about 500 consumers, which includes some the big names. Though, last year, the Maharashtra government reduced the power tariff for industries however, it has still not made the state a competitive destination as compared to neighbouring states like Gujarat, Karnataka, Andhra Pradesh and others which offer electricity at cheaper rates.

Modernisation: Compared to the European, Japanese and American counterparts and companies from China, Korea and Taiwan the technology and automation levels is much lower (barring a few bigger forging companies)in India. According to a recent survey of the Indian forging industry, about 70 percent of the forging units in India are MSMEs who need to upgrade their technologies. For this, the industry needs huge government support in terms of further interred subvention and technology upgradation fund.

Electric vehicles: Another key issue concerning the future of the industry is the government's renewed focus on electric vehicles and a move to eliminate petrol/diesel cars by 2030. It says the situation seems to be fluid and will require the government to draw a clear road map for the same. The introduction of EVs will have an adverse impact on Indian forging industry as around 60 percent of the forging units are into manufacturing of auto components and a majority for engine and transmission related application.

AIFI suggests that the need of the hour is for a aggressive and assertive political action that will provide a level playing field to Indian manufacturers to become competitive in the global platform and other relevant policy reforms to foster ease of doing business.

India is the 3rd largest manufactures of forgings in the world, after China and the European nations (led by Germany).The forging industry is one of the major contributor to the Indian manufacturing industry. According to a recent survey conducted by the forging association, the installed capacity has decreased from 39.4 lakh MT in 2019-20 to 32.6 lakh MT in 2017-18 with overall production of forgings decreasefd from 23.98 lakh MT to 19.72 lakh MT.

Outlook

Recently an industry survey that is jointly conducted by industry body FICCI and tax consultancy Dhruva advisors and took responses from about 380 companies across the sectors. It is said that businesses are grappling with "tremendous uncertainty" about their future.

According to the survey, COVID-19 is having a 'deep impact' on Indian businesses, over the coming month's jobs are at high risk because firms are looking for some reduction in manpower. Further, it is added that already COVID-19 crisis has caused an unprecedented collapse in economic activities over the last few weeks.

The present situation is having a "high to very high" level impact on their business according to almost 72 per cent respondents. Further, 76 per cent of the surveyed firms are expecting a degrowth sales in the fiscal year 2020-21.

FICCI said in a statement, "The survey clearly highlights that unless a substantive economic package is announced by the government immediately, we could see a permanent impairment of a large section of the industry, which may lose the opportunity to come back to life again."

The survey found:

- In respect to the approved expansion plans, around 81 per cent of the respondents expect to postpone such expansions for a period of up to 6 or 12 months, while 16 per cent expect it to for more than 12 months.

- Surveyed firms of around 78 per cent have postponed their fund-raising plans for the next 6-12 months. Also, nearly 18 per cent of the firms have decided the same.

- Surveyed firms around 59 per cent have reported that they do not predict an impact on exports. Further, 34 per cent said that exports would take a hit by more than 25 per cent.

According to Dun & Bradstreet, COVID-19 no doubt disrupted human lives and global supply chain but the pandemic is a severe demand shock which has offset the green shoots of recovery of the Indian economy that was visible towards the end of 2019 and early 2020. The revised Gross Domestic Product (GDP) estimated for India downwards by 0.2 percentage points for the fiscal year 2020 to 4.8 per cent and by 0.5 per cent for the fiscal year 2021 to 6 per cent while actual reading went down to 5.86 per cent. Further, it is stated that the extent of the actual impact will depend upon the severity and duration of the outbreak.

There are three major channels of impact for Indian businesses according to the report namely linkages, supply chain and macroeconomic factors. The data of the Dun & Bradstreet shows that at least 6,606 Indian entities have legal linkages with companies in countries with a large number of confirmed COVID-19 cases. And business activity in the foreign markets is slow which implies a negative impact on the topline of these companies. Sectors that would be much affected includes logistics, auto, tourism, metals, drugs, pharmaceuticals, electronic goods, MSMEs and retail among others

Company overview:

Due to COVID 19, its impact and subsequent persistent lockdown, the HMFL were forced to closedown its plant and operations from 20th March onwards and almost 1st quarter of fiscal 2020-21

However during operational period HMFL has taken measures to:

Tooling--Increase die life by at least 1.5 times that of current levels. Reduce per-part die system costs by at least 50%. Produce tooling within 24 hours from time of order.

Energy--Reduce the total forging process energy input by 20% while cutting the per-piece energy cost by some amount.

Material utilization--Achieve a minimum overall reduction in raw material consumption of 10 to15%. Reduce the scrap rate (increase material utilization).

Productivity--Improve per-employee productivity by 20%. Reduce per-piece labor costs by 30%. Achieve average forging facility up-times at maximum.

Quality--Reduce rejected or returned work to less than 25 parts per million. Achieve ±8 sigma process control.

Environment--Generate no harmful gas combustion products; completely eliminate aerosol emissions within forging plants; and recycle all fluids necessary to forging operations.

Segment–wise performance:

The primary business segment of the Company is forging components like flanges and forged fittings.

PARTICULARS	2019-2020 (IN LACS)	2020-2021 (IN LACS)	% CHANGE
FLANGES	5823.45	2168.59	-62.76%
FITTINGS	2473.89	1257.61	-49.16%
CRANK SHAFTS	0.00	215.23	215.23%
SCRAP	2001.89	1110.14	-44.55%
PRODUCTION	12000 MTS	6500 MTS	-45.83%

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 for their perusal.

Financial Performance with respect to operational performance

(Rs. In Lakhs)

Particulars	Year Ended March 2021	Year Ended March 2020
Total revenue	4769.81	10321.36
Less: Operating Expenses & Provision	6473.65	9551.10
Profit before Interest, Depreciation & Taxes	-1703.84	770.26
Less: Depreciation	252	258.82
Less: Interest & finance Charges	394.14	340.66
Profit (Loss) before Tax	-2349.98	170.77
Less: Provision for Taxation	-392.81	15.78
Profit (Loss) After Tax	-1957.17	154.99
Other Comprehensive Income	0.00	0.13
Total Comprehensive Income for the Year	0.00	0.13
Balance Brought forward	1109.74	954.75
Balance Available for Appropriation	-847.43	1109.74
Surplus retained in Profit & Loss account	-847.43	1109.74
Return on Net worth	-0.45	0.02

During the year under review, the total revenue of the company was Rs 4769.81 Lacs as compared to Rs. 10321.56 Lacs during the previous year, the Loss was Rs. -1957.17 Lacs as compared to last year's PAT of Rs. 154.99 Lacs.

The return on net worth for FY 20-21 has been negative due to loss incurred during the FY under review.

Significant changes in key financial ratios:

Ratios	For FY 20-21	For FY 2019-20
Debtors Turnover	0.20	0.37
Inventory Turnover	1:4	1.83
Interest Coverage Ratio	-4.96	1.50
Current Ratio	1.47	1.61

Debt Equity Ratio	1.31	1.26
Operating Profit Margin (%)	-0.33	7.36
Net Profit Margin (%)	-0.41	1.66

The spread of COVID-19 has severely impacted business in many countries including India and there have been severe disruption to regular business operations due to lockdown and other emergency measures. This may impact the Company's operations. The Company has made assessment of liquidity, recoverable values of its financial and non-financial assets, financial and non-financial liabilities, carrying value of its subsidiaries including possible obligations arising from any ongoing negotiations with customers, vendors and regulatory exposures across businesses and geographies and has concluded that there are no material adjustments required in the interim financial results and annual financial statements. The management believes that it has assessed and taken all the possible impacts known from these events wherever possible outcome is known. However, given the effect of these on the overall economic activity and in particular in the industry in which Company operates, the impact assessment of COVID-19 is a continuous process, given the significant estimation and uncertainties associated with its nature, duration and outcome of any negotiations. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions and its consequential impact on its financial results.

Human Resource Management and Industrial Relations:

The Company believes that human resource is the most important assets of the organization. During the year under review, your company continued its efforts to improve HR related processes, practices and system to align these to the organizational objectives. Over the years, Company has maintained consistency in its efforts in training and developing its human recourses with a view to face competition.

There was satisfactory co-operation between the management and the workers in working towards the overall objectives of the company.

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.

Cautionary Statements:

Statements made in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities, laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.

For and on behalf of the Board of Directors

Place: Mumbai

Dated: 12th August 2021

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

REPORT ON CORPORATE GOVERNANCE

1) COMPANY PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, continued compliances of law and adherence to highest ethical standards to achieve the objectives of the Company of enhancing stakeholder's value and its own image. 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 ('Listing 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 Company has broad based Board of Directors, constituted in compliance with the Act and SEBI (Listing Regulations) and in accordance with highest standards of Corporate Governance in its management, which ensures judicious mix of Directors that includes the Executive, Non-Executive and Independent Directors.

Details of the Composition of the Board of Directors as on 31st March, 2021 is stated below:

Sr. No	Name	Designation/ Category of Directors	% to total number of Directors
1	Mr. Yuvraj Malhotra	Chairman & Managing Director (Promoter)	28.57
2	Mr. Navraj Malhotra	Whole Time Director (Promoter)	
3	Mr. Sanjay Jain	Independent, Non-Executive Director	71.43
4	Mr. Sukesh Kumar Joshi	Independent, Non-Executive Director	
5	Mr. Sandeep Ravindra Shah	Independent, Non-Executive Director	
6	Mr. Prithivish Sushil Mundra	Independent, Non-Executive Director	
7	Ms. Nikita Natwarlal Moradia	Independent, Non-Executive Director	

2.2 BOARD MEETINGS, ATTENDANCE AND OTHER DETAILS:

During the financial year under review, five Board Meetings were held at Mumbai on 30th June, 2020, 31st August, 2020, 14th September, 2020, 10th November, 2020 and 28th January, 2021 respectively.

The name and category of the Directors on the Board, their attendance at the Board Meetings held during the FY 20-21 and at the last Annual General Meeting held on 30th September, 2020 and the number of directorships, Committee Memberships/ Chairmanships held by them in other Indian Public Companies and their shareholding as on March 31, 2021 in the Company are given herein below: -

Name of Directors	DIN	Designation/ Category of Directors	Attendance Particulars		No. of Directorship in Listed Entity including the Company	Committee position held in Indian Public Companies including the Company		No. of Equity Shares held
			No. of Board Meetings attended / held	A.G.M. held on 30th September, 2020		Chairman	Member	
Mr. Yuvraj Malhotra	00225156	Managing Director & Chairman	5/5	Yes	1	1	2	5704559
Mr. Navraj Malhotra	00225183	Whole Time Director	5/5	Yes	1	-	-	149653

Name of Directors	DIN	Designation/ Category of Directors	Attendance Particulars		No. of Directorship in Listed Entity including the Company	Committee position held in Indian Public Companies including the Company		No. of Equity Shares held
			No. of Board Meetings attended / held	A.G.M. held on 30th September, 2020		Chairman	Member	
Mr. Sanjay Jain	00152758	Independent Non-Executive Director	1/5	Yes	1	-	-	-
Mr. Sukesh Kumar Joshi	08153689	Independent Non-Executive Director	4/5	Yes	1	1	1	-
Mr. Prithivish Mundra	08529151	Independent Non-Executive Director	5/5	Yes	1	1	1	-
Mrs. Nikita Moradia	08530305	Independent Non-Executive Director	5/5	Yes	1	-	1	-
Mr. Sandeep Ravindra Shah	06402659	Independent Non-Executive Director	5/5	Yes	2	-	1	-

Notes:

1. *Excludes directorships in Private Limited Companies, Foreign Companies and Section 8 Companies.*
2. *In accordance with Regulation 26(1)(b) of SEBI (Listing Regulation), Membership/ Chairpersonship of only the Audit Committee and Stakeholders Relationship Committee in all Indian Public Limited Companies have been considered. The number of directorships, committee membership(s)of all Directors is within the respective limits prescribed under the Companies Act, 2013 and Listing Regulations.*
3. *Mr. Yuvraj Malhotra and Mr. Navraj Malhotra are related to each other in terms of Section 2 (77) of the Companies Act, 2013 read with Companies (Specification of definitions details) Rules, 2014. No other directors are related inter-se.*
4. *The Company has not issued or allotted any convertible instruments during FY 2020-21.*

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Directorships in Listed Entities as on 31st March 2021:

Sr No.	Name of Director	Name of Listed Entity	Category of Directorship
1	Sandeep Shah	Karda Constructions Limited	Independent Director

2.3. Independent Directors

The Board of Directors confirm that in its opinion, the Independent Directors fulfill the terms and conditions specified in the Act and Listing Regulations in respect of their independence of the Management.

As stipulated by the Code of Independent Directors pursuant to Companies Act, 2013 and the SEBI (Listing Regulations), a separate meeting of the Independent Directors of the Company was held on 28th February 2021 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.

2.4. Director's Familiarization programme:

The Familiarization programme enable the Independent Directors to understand the Company's

business and operations in depth and to familiarize them with the process and functionaries of the

Company and to assist them in performing their role as Independent Directors of the Company. The details of familiarization programme of the independent Directors are available on the website of the Company: http://www.hiltonmetal.com/corporate-governance/

2.4 Matrix highlighting core skills/expertise/competencies of the Board of Directors:

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board:

Sr. No	Area of Expertise	Description	Name of Directors who possess such skills/ expertise/ competence
1	Business & Industry	Domain Knowledge in Business and understanding of business environment, optimising the development in the industry for improving Company's business	(i) Mr. Yuvraj Malhotra (ii) Mr. Navraj Malhotra (iii) Mr. Sanjay Jain (iv) Mr. Sukesh Joshi
2	Financial Expertise	Comprehensive understanding of financial accounting, capital allocation, resource utilization reporting and controls and analysis	(i) Mr. Prithivish Mundra (ii) Ms. Nikita Moradia
3	Sales, Marketing & Brand building	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation	(i) Mr. Yuvraj Malhotra (ii) Mr. Sukesh Joshi
4	Governance & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining Board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values	(i) Mr. Yuvraj Malhotra (ii) Mr. Sandeep Shah

3) COMMITTEES OF THE BOARD:

The Committees of the Board are constituted as per the Act and Listing Regulations.

3.1 Audit Committee:

The Audit Committee of the Company is constituted in line with provisions of Regulation 18 of Listing Regulations read with Section 177 of the Act and rules framed thereunder. All the members possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

3.1.1 Brief description of Terms of reference

The terms of reference of Audit Committee broadly includes-

a. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.

c. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:

d. Any changes in accounting policies and practices.

e. Major accounting entries based on exercise of judgment by management.

f. Qualifications in draft audit report, if any.

g. The going concern assumption.

h. Compliance with accounting standards.

i. Compliance with Stock Exchange and legal requirements concerning financial statements.

j. Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.

k. Reviewing with the management, External and Internal auditors the adequacy of Internal Control System.

l. Reviewing the findings of any internal investigations in the matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.

m. Discussion with external auditors before the audit commences nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

n. Reviewing the Company's financial and risk management policies.

o. Reviewing the mechanism to track insider trading

p. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of no nonpayment of declared dividends) and creditors.

q. To approve the appointment of the Internal auditor after assessing the qualifications, experience, background, etc. of the candidate.

3.1.2 Composition and Attendance at the Meeting

The Audit Committee met 4 times during the year on 30th June, 2020, 14th September, 2020, 10th November, 2020 and 28th January, 2021. The previous AGM of the Company was held on 30th September, 2020 and was attended by the Chairman of the Audit Committee.

The details on composition, names of the members, category of Directors and attendance by the members in the meetings held during the FY 20-21 are as follows: -

Sr. No.	Names of Members	Designation	Category of Director	No. of Meetings Attended
1	Mr. Prithivish Mundra	Chairman	Independent Non-executive	4/4
2	Mr. Sanjay Jain	Member	Independent Non-executive	1/4
3	Mr. Yuvraj Malhotra	Member	Executive	4/4
4	Ms. Nikita Moradia	Member	Independent Non-executive	4/4

Internal Audit:

M/s. P Dangyach & Associates, Internal Auditors of the Company have carried out the Internal Audit for FY 2020-21. The reports and findings of the Internal Audit are quarterly reviewed by the Audit Committee.

3.2 Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of Listing Regulations read with Section 178 of the Act.

3.2.1 Brief description on Terms of reference

The terms of reference of Nomination and Remuneration Committee broadly includes:

a) To determine the remuneration package for any Executive Directors as well as remuneration payable to the non-executive Directors from the year to year.

b) To help in determining the appropriate size, diversity and composition of the Board;

c) To recommend to the Board appointment/reappointment and removal of Directors/KMPs;

d) To frame criteria for determining qualifications, positive attributes and independence of Directors.

e) To create an evaluation framework for Non-executive & Independent Directors and the Executive Board;

f) Delegation of any of its powers to any Member of the Committee or the Compliance Officer.

3.2.3 Composition and Attendance at the Meeting

The Committee met 2 times during the year on 30th June, 2020 and 31st August, 2020. The previous AGM of the Company was held on 30th September, 2020 and was attended by the Chairman of the Nomination and Remuneration Committee. The details on composition, names of the members, category of Directors and attendance by the members in the meeting held during the

FY 20-21 are as follows: -

Sr. No	Names of Members	Designation	Category of Director	No. of Meeting Attended
1	Mr. Sukesh Kumar Joshi	Chairman	Independent Non-executive	2/2
2	Mr. Sanjay Jain	Member	Independent Non-executive	0/2
3	Mr. Sandeep Shah	Member	Independent Non-executive	2/2

3.2.4 Remuneration Policy

The Remuneration Policy formulated in accordance with the Companies Act, 2013 and SEBI Listing Regulations and as 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 Performance evaluation criteria for independent directors

Pursuant to the provisions of the Act and the Listing Regulations, the Committee has laid down the manner in which formal annual evaluation of the performance of the Directors including independent Directors and its Committees has to be made.

A separate meeting of Independent Directors was also held to review:

• Performance of the Non-Independent Directors and the Board as a whole.

• Performance of the Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors.

The criteria for performance evaluation of the Board and its Committees include aspects like structure, composition, effectiveness of processes & meetings and other measures. The criteria for performance evaluation of the individual Directors include aspects like professional conduct, competency, contribution to the Board and Committee Meetings and other measures. In addition, the performance of the Chairman is also evaluated on key aspects of his roles and responsibilities

3.2.6 Details of Remuneration paid to the Directors

Details of Remuneration paid to the Directors for the year ended 31st March, 2021 are as follows:

Directors	Relationship with the other Directors	Remuneration (Rs.)	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Yuvraj Malhotra	Relative of Mr. Navraj Malhotra	-	-	-	-
Mr. Navraj Malhotra	Relative of Mr. Yuvraj Malhotra	24,00,000	-	-	24,00,000
Mr. Sukesh Kumar Joshi	None	-	20,000	-	20,000
Mr. Sanjay Jain	None	-	-	-	-
Mr. Sandeep Shah	None	-	50,000	-	50,000
Mr. Prithivish Mundra	None	-	20,000	-	20,000
Ms. Nikita Moradia	None	-	20,000	-	20,000

Notes:

a. Sitting fees include payment of fees for attending Board/Committee Meetings

b. The remuneration payments in the Company are made with an aim of rewarding performance, based on review of achievements. The remuneration levels are in consonance with the existing industry practices.

c. No provision of performance-linked variable pay for the FY 2020-21 is available to Managing Director, the Executive Director and the Whole-time Director. There are no provisions for notice period and payment of severance fees. The Company has not granted any stock option to any of its Directors.

d. Payments to Non-Executive Directors are decided, based on multiple criteria of seniority/experience, number of years on the Board, Board/Committee meetings attended, Director's position on the Company's Board/Committees, other relevant factors and performance of the Company. There are no pecuniary relationship or transactions between the Company and its Non-Executive/Independent Directors for the financial year under review.

3.3 Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulations 20 of Listing Regulations read with Section 178 of the Companies Act.

3.3.1 Brief description on Terms of reference

The terms of reference of Stakeholders' Relationship Committee broadly includes:

a) Redress Shareholders and Investors complaints.

b) Review all matters connected with the share transfers.

c) 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 Link Intime (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 Committee met 1 time during the year on 30th June, 2020. The previous AGM of the Company was held on 30th September, 2020 and was attended by the Chairman of the Stakeholders' Relationship Committee. The details on composition, names of the members, category of Directors and attendance by the members in the meeting during the FY 20-21 are as follows:

S r . No.	Names of Members	Designation	Category	No. of Meeting Attended
1.	Mr. Sukesh Kumar Joshi	Chairman	Non-Executive, Independent	1/1
2.	Mr. Yuvraj Malhotra	Member	Executive, Non-Independent	1/1
3.	Mr. Sandeep Shah	Member	Non-Executive, Independent	1/1

3.3.3 Details in respect of Compliance Officer:

Ms. Richa Shah Company Secretary, acts as Compliance Officer of the Company w.e.f. 17th August, 2020.

3.3.4 Details of Investors Complaints received during F.Y. 2020-2021 are as follows:

Sr. No.	Nature of Complaints	Whether Received	No. of Complaints Redressed	Pending Complaints as on 31st March, 2021
1.	Non-Receipt of Shares lodged for transfer/ transmission	-	-	-
2.	Non- Receipt of Duplicate Share certificate	-	-	-
3.	Non- Receipt of Annual Report	-	-	-

4) GENERAL BODY MEETINGS:

4.1 Annual General Meeting

The details of Annual General Meetings held in last 3 years along with the location and time of the AGMs is as below:

AGM	DATE	TIME	VENUE	DETAILS OF SPECIAL RESOLUTIONS PASSED
15th	30.09.2020	4.00 PM	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	1. Ratification of remuneration payable to Cost Auditor for the financial year 2020-21 2. Re-appointment of Mr. Yuvraj Malhotra (DIN: 00225156) as Chairman & Managing Director of the Company 3. Re-appointment of Mr. Navraj Malhotra (DIN: 00225183) as Whole-Time Director of the Company
14th	28.09.2019	4.00 PM	701, Palm Spring, Link Road Malad West, Mumbai-400064	1. Ratification of remuneration payable to Cost Auditor for the financial year 2019-2020 2. Appointment of Mr. Sandeep Ravindra Shah as an Independent Director of the Company. 3. Appointment of Mr. Prithivish Sushil Mundra as an Independent Director of the Company 4. Appointment of Ms. Nikita Moradia as an Independent Director of the Company 5. Re-Appointment of Mr. Sanjay Jain (DIN 00152758) as an Independent Director

AGM	DATE	TIME	VENUE	DETAILS OF SPECIAL RESOLUTIONS PASSED
13th	28.09.2018	4.00 PM	701, Palm Spring, Link Road Malad West, Mumbai-400064	1. Appointment of M/s Anil Bansal & Associates, Chartered Accountants as Statutory Auditors of the Company for filling casual vacancy caused by the resignation of M/s R Jaitlia & Co. Chartered Accountants, Chartered Accountants. 2. Appointment of M/s Anil Bansal & Associates, Chartered Accountants as the Statutory Auditors of the Company for a term of up to five years and fixing their remuneration. 3. Regularisation of Additional Director, Mr. Sukesh Kumar Joshi, by appointing him as Independent Director of the Company 4. Remuneration of Cost Auditor for the financial year ending 31st March 2019 5. Reappointment of Mrs. Diksha Yuvraj Malhotra.

4.2 Extraordinary General Meeting

No Extraordinary General Meeting was held during the financial years 2019-2020 and 2018-2019. However in the financial year 2017-2018, one Extra Ordinary General Meeting was held. The details the Extra Ordinary General Meeting along with the location and time of the EGM is as below:

EGM	DATE	TIME	VENUE	DETAILS OF SPECIAL RESOLUTIONS PASSED
1st EGM of 2018-2019	16.11.2018	10:00 a.m.	204, Tanishka Commercial Building, Akurli Road, Kandivali (East), Mumbai-400101	1. To create, issue, offer and allot on preferential basis upto 2,00,000 (Two Lakh) 6% Optionally Convertible Debenture (OCD") to Balu Forge Private Limited 2. to create issue and allot such number of Equity shares towards interest liabilities on OCD of INR 20,00,00,000/-

4.3 Postal Ballot

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

4.4. Whether any special resolution is proposed to be conducted through postal ballot:

Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

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 SEBI (Listing Regulations). The Company's Un-audited Quarterly Results for quarter ended June 2020, September 2020, December 2020 and March 2021 and Audited Financial Statements for the year ended 31st March 2021 were published in the Free Press Journal, Mumbai (English Daily) and Navshakti (Vernacular Daily). These results are simultaneously displayed on the website of the Company http://www.hiltonmetal.com/ and uploaded on the website of National Stock Exchange of India Ltd. and BSE Ltd.

6) GENERAL SHAREHOLDER INFORMATION

6.1 Company Registration Details: CIN: L28900MH2005PLC154986

6.2 Annual General Meeting

Wednesday, 29th September, 2021 at 4:00 P.M IST through Video Conference ("VC")/Other Audio Visual Means ("OAVM")

6.3 Financial Year

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 2021-2022

First quarter:	June 30, 2021- on or before August 14, 2021
Second quarter/Half Yearly	September 30, 2021 - on or before November 14, 2021
Third quarter/Nine months	December 31, 2021 - on or before February 14, 2022
Fourth quarter/Annual	on or before May 30, 2022

6.5 Book Closure date

The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday 23rd September, 2021 to Wednesday 29th September, 2021 [Both days inclusive]

6.6 Dividend Payment

No dividend is to be declared for the financial year ended 31st March 2021.

6.7 Unclaimed Shares/Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including amendments thereof) read with circulars and notifications issued thereunder, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF). Shareholders of the Company who have not received or encashed their dividend for the Financial years, as mentioned below, are requested to claim the unpaid / unclaimed dividend from the Company before its transfer to the abovementioned Fund.

During the financial year under review, the Company has credited Rs. 59,954/- to Investor Education and Protection Fund towards Unclaimed Dividend. Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more, have also been transferred to the demat account of IEPF

Authority.

In accordance with the aforesaid provisions, the Company has transferred 6375 equity shares held by 37 shareholders as on 31st March 2012 whose dividends were remaining unpaid/unclaimed for 7 consecutive years i.e., from FY 2012-13 to IEPF.

The details of unpaid/unclaimed dividend for the year 2013-14 onwards are as under:

Sr. No	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount (In Rs.)	Due Date for transfer to IEPF Account
1	2013-14	27-09-2014	46,133	03-11-2021
2	2014-15	30-09-2015	68,632	06-11-2022
3	2015-16	-	No dividend declared	-
4	2016-17	-	No dividend declared	-
5	2017-18	-	No dividend declared	-
6	2018-19	-	No dividend declared	-
7	2019-20	-	No dividend declared	-

6.8 Listing on Stock Exchanges

Equity Shares

Name of the Stock Exchange	Security code/ Symbol	ISIN	Payment of Annual Listing fees for the FY 20-21 (Y/N)
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	532847	INE788H01017	Y
The National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	HILTON		Y

B. Debentures/GDRs/ Warrants

The Company has not issued GDRs / ADRs / Warrants.

6.9 Market Price data-High/Low during each month of FY 20-21

Market Price Data Month-wise	Share prices of the Company from April, 2020 to March, 2021			
	BSE Ltd		The National Stock Exchange of India Limited	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
Apr-20	11.29	6.94	11.90	6.70
May-20	10.13	8.35	10.15	7.95
Jun-20	13.13	8.35	13.05	8.55
Jul-20	11.50	8.45	11.40	8.35
Aug-20	11.50	8.13	11.55	8.10
Sep-20	10.72	8.90	10.85	9.00
Oct-20	10.09	8.60	10.65	8.50
Nov-20	10.55	8.74	10.25	8.55
Dec-20	13.01	8.90	13.35	9.40
Jan-21	16.06	11.55	16.25	11.35
Feb-21	12.74	10.08	12.75	10.00
Mar-21	11.58	9.08	11.70	9.25

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 2021 (based on month end closing):

6.11 Registrar & Share Transfer Agents:

LINK INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400 083
E-mail - priya.yadav@linkintime.co.in
Ph: 022 4918 6270 Fax :022 4098 6060
Website: www.linkintime.co.in
Contact Person: Ms. Priya Yadav

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, 2021:

Categories	Number of Shares	%
(A) Shareholding of Promoter and Promoter Group		
Promoters	6264097	50.34
Total Shareholding of Promoter & Promoter Group (A)	**6264097**	**50.34**
(B) Public Shareholding		
(i) Institutions		
Banks / FI	859	0.01
Central Govt.	0	0
Total Public Institutions (B) (i)	**859**	**0.01**
(ii) Non Institutions		
Individuals	5493131	44.13
NRI	100623	0.81
Bodies Corporate	111644	0.90

Categories	Number of Shares	%
Overseas Corporate Bodies	150000	1.21
Clearing Members	21163	0.17
Others IEPF/HUF/NBFC registered with RBI	301499	2.43
Total Public Non Institution (B) (ii)	**6178060**	**49.65**
Total Public Shareholding (B)=(B)(i)+(B)(ii)	**6178919**	**49.66**
Total Shareholding (A) + (B)	**12443016**	**100**

6.14 Top Ten equity shareholders of the Company as on 31st March, 2021 (other than Promoters)

Sr. No.	Name of Shareholders	No of equity Shares held	Percentage of holding
1	Sangeetha S	408670	3.284
2	Deepak Gupta	243166	1.954
3	Evenort Ltd	150000	1.205
4	Pradeep Prabhakar Rao	95107	0.764
5	Yatin Gupta	91907	0.739
6	Nandre Ranadher	56646	0.455
7	Chirag Shantilal Shah	52352	0.421
8	Sanjaykumar Vishwambharlal Dhandharia	50000	0.402
9	Kiran Jayawant Shinde	49949	0.401
10	Pranav Satish Doshi	48000	0.386

6.15 Distribution of Shareholding as on 31st March, 2021:

No. of equity Shares held	Shareholders		Total Shares	
	Number	% of Total	Shares	% of Total
1-100	3346	41.4622	179623	1.4436
101-200	1243	15.4027	218811	1.7585
201-500	1724	21.3631	637300	5.1217
501-1000	866	10.7311	705453	5.6695
1001-10000	824	10.2107	2296749	18.4581
10001-100000	61	0.7559	1479192	11.8877
100001 and above	6	0.0743	6925888	55.6608
Total	8070	100.0000	12443016	100.0000

6.16 Dematerialization of Shares and Liquidity

The Company's shares are currently traded only in dematerialized form over NSE & BSE. To facilitate trading in dematerialized 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 31st March, 2021, 99.99% (1,24,43,011 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 does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

6.19 Commodity price risk or foreign exchange risk and hedging activities:

The Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its laid policies and seek to minimize the effects of these risks by continuous monitoring and using derivative financial instruments to hedge risk exposures, wherever permissible and cost effective.

6.20 Plant Location

Plot Nos. 28,29,
Shah & Mehta Ind. Estate,
Village-Ghonsai, Tal. Wada, Dist. Thane

6.21 Address for Correspondence

The Compliance Officer,
Hilton Metal Forging Ltd,
Corporate Office: 204, Tanishka Commercial Building,
Akurli Road, Near - Growel 101
Mall, Kandivali - East Mumbai 400101
Email id: secretarial@hiltonmetal.com

6.22 Credit ratings

The Credit Ratings of the Company for all the debt instruments/facilities as on 31st March, 2021 is as below: -

Long Term Bank Facilities	CARE BB; Stable
Short Term Bank Facilities	CARE A4

7) DISCLOSURES:

7.1 Related Party Transactions:

All transactions entered into with Related Parties as defined under the Act, and Regulation 23 of the SEBI (Listing Regulations) 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 related parties during the financial year which were in conflict with the interest of the Company. 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. The same is also displayed on the Company's weblink http://www.hiltonmetal.com/wp-content/uploads/2016/09/Related_Party.pdf

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 except the following:

(a) **Delay in furnishing prior intimation of Meeting of Board of Directors held to approve quarterly financial results for quarter ended 30th June 2019 as required under Regulation 29 (2) of SEBI (LODR) Regulations, 2015**- payment of penal fees as per SEBI SOP guidelines. Such delay in intimation was caused due to preponement of the scheduled meeting at very last moment due to unavailability of the Statutory Auditors to remain present at the appointed date of the meeting necessitating the Company to prepone the Meeting; and

(b) **Non-submission of disclosure of related party transactions for half year ended 30th September, 2020 as required under Regulation 23(9) of SEBI (LODR), Regulations 2015**- As represented by the management of the Company, no material related party transactions were undertaken for half year ended 30th September, 2020. The Company had received review notices from the exchanges for the alleged non-compliance for which waiver request application along with requisite clarifications was submitted to the exchanges. Thereafter, no further correspondence was received from the exchanges in this regard

7.3 Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and sub section (10) of the Act and in terms of Regulation 22 read with Regulation 4(2)(d)(iv) of Listing Regulations, 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 Status of compliance with mandatory requirements and Non-Mandatory Requirements

The Company has complied with all mandatory requirements of Corporate Governance norms as specified in Regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations, to the extent applicable to the Company.

The Company has adopted following non-mandatory requirements of Listing Regulations:

i) **Audit Qualification:** The Company is in regime of unqualified/unmodified financial statements.

ii) **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee periodically to ensure independence of the Internal Audit function.

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 and other material events 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 Certification by Practicing Company Secretary

As per the amended Listing Regulations, the Company has obtained a certificate from the Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified, from being appointed or continuing as Directors, by Securities and Exchange Board of India/Ministry or Corporate Affairs or any such authority and the same is appended as an Annexure to this Report.

7.7 Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with reasons

During the year under review, the Board has accepted all the recommendation of all the Committees of the Board

7.8 Total fees paid to M/s. Anil Bansal & Associates, Statutory Auditors:

Total fees (excluding taxes and OPE) for all services paid by the Company, to M/s. Anil Bansal & Associates, Statutory Auditors, is Rs. 7,50,000/-.

7.9 Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

No complaints of sexual harassment of women at workplace were filed during the financial year 2020-21

8) REVIEW OF DIRECTORS RESPONSIBILITY STATEMENT

The Board in its Report has confirmed that annual accounts for the year ended 31st March 2021 have been prepared as per Indian Accounting Standard (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

9) CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS

Certificate from the Statutory auditors confirming compliance with the conditions of Corporate Governance, as stipulated under Listing Regulations, is attached and forms part of the Annual Report.

10) CEO / CFO CERTIFICATE:

The CEO/ CFO Certificate under Regulation 17 (8) of SEBI(LODR) Regulations, 2015, for the FY 2020-21 is attached and forms part of the Annual Report.

11) 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.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 12th August, 2021

Yuvraj Malhotra
Chairman & Managing Director
DIN:00225156

Managing Director's Declaration for Compliance with Code of Conduct

I confirm that the Company has in respect of the year ended March 31, 2021, 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 Hilton Metal Forging Limited

Place: Mumbai
Date: 12th August, 2021

Yuvraj Malhotra
Chairman & Managing Director
DIN:00225156

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of

Hilton Metal Forging Limited,

Mumbai

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 para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on March 31, 2021.We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of above 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.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in the para C of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the year ended on March 31, 2021.

For Anil Bansal & Associates Chartered Accountants
Firm registration number:100421W

Anil Bansal Proprietor
Membership no. 043918

Date: 12th August, 2021
Place: Mumbai

Compliance Certificate

(Pursuant to Regulation 17 (8) of SEBI(LODR) Regulations, 2015)

We, Mr. Yuvraj Malhotra, Chairman and Managing Director and Mr. Siddharth Jain, Chief Financial Officer of Hilton Metal Forging Limited ("the Company"), hereby certify that:

a. We have reviewed the Audited Financial Statements and the Cash Flow Statement for the Financial Year ended on 31st March, 2021 and confirm that:

   i. these statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading, and

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.

b. There is, to the best of our knowledge and belief, no transaction entered into by the Company during the financial year ended 31st March, 2021, which is fraudulent, illegal or violative of the Company's code of conduct;

c. 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 listed entity 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 they are aware and the steps they have taken or propose to take to rectify these deficiencies; and

d. We have indicated to the Auditors and the Audit committee that for the quarter and financial year ended 31st March, 2021, that there were:

   i. no significant changes in Internal Control over financial reporting;

   ii. no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statement; and

   iii. no instances of significant fraud of which we have become aware and there has been no involvement therein of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

We further declare that all the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct in respect of the financial year ended 31st March, 2021.

Date: 28th June, 2021	**Mr. Yuvraj Malhotra**	**Mr. Siddharth Jain**
Place: Mumbai	**Chairman & Managing Director**	**Chief Financial Officer**

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C Sub clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
HILTON METAL FORGING LIMITED,
Mumbai

I have examined following documents for the purpose of issuing this Certificate-

i) Declaration of non-disqualification as required under section 164 of the Companies Act, 2013 ("Act"); and

ii) Disclosure of concern and/or interests as required under section 184 of the Act;

(hereinafter referred as "the relevant documents") of **Hilton Metal Forging Limited**, bearing CIN: L28900MH2005PLC154986 and having its registered office at Unit B 510, Western Edge II Village, Nr W E Highway, Magathane, Borivali East, Mumbai -400066 (hereinafter referred as "the Company") to the Board of Directors of the Company ('the Board') for the Financial Year 2020-21 and relevant registers, records, forms and returns maintained by the Company and as made available for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. I have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act and ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on verification.

Based on the verification and examination of aforesaid documents including Directors Identification Number (DIN) status at the Ministry of Corporate Affairs (MCA) portal www.mca.gov.in and the List of disqualified Directors published by the MCA, in my opinion and to the best of my information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, I hereby certify that during the Financial Year ended 31st March 2021, none of the Directors on the Board of the Company, as listed hereunder have been debarred or disqualified from being appointed or continuing to act as Directors of Companies by Securities and Exchange Board of India/ MCA or any such statutory authority:

Sr. no.	Name of the Directors	DIN	Date of appointment*
1	Yuvraj Hiralal Malhotra	00225156	21/07/2005
2	Navraj Hiralal Malhotra	00225183	21/07/2005
3	Sukesh Kumar Joshi	08153689	08/06/2018
4	Sanjay Jain	00152758	29/03/2006
5	Sandeep Shah	06402659	15/05/2019
6	Prithivish Mundra	08529151	05/08/2019
7	Nikita Moradia	08530305	06/08/2019

*the date of appointment is as per the MCA Portal

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2021.

Place: Mumbai
Date: 12th August, 2021

Shreya Shah
Practicing Company Secretary
Mem No. A39409/CoP: 15859
UDIN: A039409C000772141

Independent Auditor's Report

To,
The Members of Hilton Metal Forging Limited
Report on the Financial Statements

Opinion

We have audited the financial statements of **Hilton Metal Forging Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Cash Flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given 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 of the state of affairs of the company as at 31st March 2021, and its loss (including other comprehensive income), changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

i We invite attention to Note 44 to the financial results which explain the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to COVID-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate

internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We draw attension to followings notes to the financial statement:

i We invite attention to Note 41 relating to Dues to micro and small enterprises as defined under the MSMED Act, 2006, the company has not made interest provision on late payment to creditors, due to the negotiation on the accepted date and materials issues, under the said act as per the applicable provisions of the law in respect to the extent of such parties have

been identified on the basis of information collected by the Management.

ii We invite attention to Note 43 to the standalone financial statements, with respect to Rs. 1378.55 Lakhs of trade receivable as at March 31, 2021. As explained to us, the Company is in discussion to expedite the recoverability of the above aforesaid outstanding amounts and believes that the entire amount is fully recoverable. Pending the ultimate outcome of such discussion relation to recovery of the amounts from the debtors, no adjustments or provision have been considered necessary by the management in these standalone financial statements in this regard. We have not been provided the basis of management estimate of recovery. We are unable to comment, if any, of the extent of recoverability of above debtors.

iii We invite attention to Note 45 to the financial statements for the year ended March 31, 2021, the balance confirmations have not been received in respect of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances. The Company continues the process of obtaining confirmations and reconciliation of the balances of trade receivables, trade and other payables and loans and advances. The impact of the same is not ascertainable at present.

Our opinion is not qualified in respect of above matter.

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 Act,we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 As required by Section 143(3) of the Act, we further 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 account 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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

d. *Except for the matter described in the Basis of emphasis of matter & other matters paragraph,*In our opinion, the aforesaid financial statements comply with applicable Ind AS 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 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the matter to be included in the Auditors' Report in accordance with the requirements of section 197(16), as amended;

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

h. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial Statements, if any.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

The company did not have any long-term contracts including derivative contracts during the year under report.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

Anil Bansal
Partner
Membership no.: 043918
UDIN: 21043918AAAADE6585

Place: Mumbai
Date: 28th June, 2021

i We invite attention to Note 41 relating to dues to micro and small enterprises as defined under the MSMED Act, 2006 as identification of supplier is under process and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Annexure 'A' referred to in paragraph 1 under the heading Report on other legal and regulatory requirements" of our report of even date.

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

i. a. The Company has maintained proper records showing full particualrs, including quantitative details and situation of fixed assets.

b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have substantially been confirmed by them. According to the information and explanation provided to us, the discrepancies noticed on verification between the physical stocks and the book records were not material.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.

v. According to the information and explanation given to us, the Company has not accepted any deposits covered under section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under sub section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

vii. According to the information and explanations given to us, in respect of statutory dues:

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, duty of Customs , duty of Excise , Cess and other material statutory dues have generally regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.

ix. Based on the information and explanations given to us by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) but the Company has raised new term loan during the year and those raised during the year have been applied for the purposes for which they were raised.

x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.

xvi. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

Anil Bansal
Partner
Membership no.: 043918
UDIN: 21043918AAAADE6585

Place: Mumbai
Date: 28th June, 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with accompanying financial statements of Hilton Metal Forging Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequateinternal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

Anil Bansal
Partner
Membership no.: 043918
UDIN: 21043918AAAADE6585

Place: Mumbai
Date: 28th June, 2021

HILTON METAL FORGING LIMITED

Balance sheet as at 31st March 2021

Particulars	Notes	As at 31st March 2021 Rs. In Lacs	As at 31st March 2020 Rs. In Lacs
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,216.14	3,223.77
Capital work-in-progress	3	-	-
Invetsment property	4	87.27	87.27
Financial assets			
Investment	5	0.50	0.50
Trade receivables	6	449.79	465.17
Other Non-current Financial Assets	7	26.99	26.99
		3,780.69	**3,803.70**
Current assets			
Inventories	8	5,399.35	6,679.54
Financial assets			
Trade receivables	6	941.86	3,350.87
Cash and Cash Equivalents	9	6.41	13.63
Other balances with banks	10	91.20	146.28
Other Financial Assets	7	10.93	12.72
Other current Assets	11	1,069.05	920.61
		7,518.80	**11,123.66**
Total assets		**11,299.49**	**14,927.36**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	12	1,244.30	1,244.30
Other Equity	13	3,067.18	5,024.35
Total Equity		**4,311.48**	**6,268.65**
Non-current liabilities			
Financial Liabilities			
Borrowings	14	1,505.88	993.06
Provisions	15	79.85	78.63
Deferred tax liabilities (Net)	16	277.05	669.86
		1,862.79	**1,741.55**
Current liabilities			
Financial liabilities			
Borrowings	14	3,867.54	3,383.42
Trade Payables	17	291.04	2,442.30
Other financial liabilities	18	359.86	115.13
Provisions	15	12.70	14.68
Other current liabilities	19	594.08	933.13
Current Tax Liability	20	-	28.51
		5,125.22	**6,917.16**
Total		**11,299.49**	**14,927.36**

Significant accounting policies and Notes to the financial statements **2 to 46**

As per our report of even date
For: Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

For and on Behalf of Board of
HILTON METAL FORGING LIMITED

Yuvraj Malhotra
Chairman & Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Partner
Membership no. 043918
Place : Mumbai
Date: 28th June, 2021

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Siddharth Jain
CFO
(ATJPJ8685J)

HILTON METAL FORGING LIMITED

Statement of profit and loss for the year ended 31st March 2021

Particulars	Notes	As at 31st March 2021 Rs. In Lacs	As at 31st March 2020 Rs. In Lacs
Income			
Revenue from operations	21	4,751.57	10,299.23
Other Income	22	18.24	22.14
Total Revenue		**4,769.81**	**10,321.37**
Expenses:			
Cost of materials consumed	23	4,872.35	7,340.79
Change in inventories of finished goods and Working in Progress	24	404.19	(288.79)
Employee benefit expenses	25	358.93	695.07
Depreciation & amortization expenses	26	252.00	258.82
Finance cost	27	394.14	340.66
Other expenses	28	838.18	1,804.03
Total expenses (II)		**7,119.80**	**10,150.59**
Profit/(loss) Before Tax		**(2,349.99)**	**170.78**
Tax expense:			
Current Tax		-	28.51
MAT entitelmemt		-	(18.18)
Deferred tax		(392.81)	5.45
Total tax expenses		**(392.81)**	**15.78**
Profit/(loss) After Tax		**(1,957.17)**	**154.99**
Other comprehensive income:			**-**
i. Items that will not be reclassified to Statement of Profit and Loss		-	-
ii. Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	-
iii. Items that will be reclassified to Statement of Profit and Loss		-	-
Total comprehensive income for the year		**-**	**-**
Profit/(loss) transfer to balance sheet		**(1,957.17)**	**154.99**
Earnings per equity share of face value of ₹ 10 each	29		
Basic (in ₹)		(15.73)	1.25
Diluted (in ₹)		(15.73)	1.25

Significant accounting policies and Notes to the financial statements **2 to 46**

As per our report of even date
For: Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

For and on Behalf of Board of
HILTON METAL FORGING LIMITED

Yuvraj Malhotra
Chairman & Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Partner
Membership no. 043918
Place : Mumbai
Date: 28th June, 2021

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Siddharth Jain
CFO
(ATJPJ8685J)

HILTON METAL FORGING LIMITED

Cash Flow Statement for the year ended 31st March, 2021

Particulars	Notes	As at 31st March 2021 Rs. In Lacs	As at 31st March 2020 Rs. In Lacs
Cash flow from operating activities			
Profit before tax and after prior period items			
Non-cash adjustment to reconcile profit before tax to net cash flows:		(2,349.99)	170.77
Depreciation and amortization		252.00	258.82
Finance costs		394.14	340.66
Interest / Rent Income income		(18.22)	(22.08)
Dividend income		-	(0.04)
Operating profit before working capital changes		**(1,722.07)**	**748.14**
Movements in working capital:			
Decrease/(increase) in inventories		1,280.19	(226.54)
Decrease/(increase) in trade receivables		2,424.39	(1,540.07)
Decrease/(increase in) in loans, financial and other assets		(146.65)	296.34
Increase/(decrease) in short term borrowings		484.11	312.53
Increase/(decrease) in trade payables		(2,151.26)	790.77
Increase/(decrease) in loans, financial & other liabilities		(515.64)	(6.13)
Increase/(decrease) in provisions		(0.74)	(10.47)
Cash generated from /(used in) operations		**(347.66)**	**364.58**
Direct taxes paid (net of refunds)		**392.81**	**15.78**
cash flow before extraordinary item		**45.16**	**380.36**
Extra ordinary item		**-**	**-**
Net cash flow from/ (used in) operating activities (A)		**45.16**	**380.36**
Cash flows from investing activities			
Purchase of property, plant and equipment		(244.37)	(13.26)
Interest received / rent received		18.22	22.08
Dividend received		-	0.04
Net cash flow from/ (used in) investing activities (B)		**(226.14)**	**8.86**
Cash flows from financing activities			
Long term borrowing / repayment (net)		512.83	(8.64)
Finance cost		(394.14)	(340.66)
Net cash flow from/ (used in) in financing activities (C)		118.68	(349.30)
Net increase/(decrease) in cash and cash equivalents (A + B + C)		(62.30)	39.92
Cash and cash equivalents at the beginning of the year		159.91	119.99
Cash and cash equivalents at the end of the year		97.61	159.91
Components of cash and cash equivalents			
Cash on hand		1.24	13.29
With banks- on current account		96.37	146.62
Total cash and bank equivalents		**97.61**	**159.91**

Significant accounting policies and Notes to the financial statements **2 to 46**

As per our report of even date
For: Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

For and on Behalf of Board of
HILTON METAL FORGING LIMITED

Yuvraj Malhotra
Chairman & Managing Director
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Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Partner
Membership no. 043918
Place : Mumbai
Date: 28th June, 2021

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Siddharth Jain
CFO
(ATJPJ8685J)

HILTON METAL FORGING LIMITED

Cash Flow Statement for the year ended 31st March, 2021

A. EQUITY SHARE CAPITAL

Rs. In Lacs

Balance at the beginning of the reporting period i.e. 1st April, 2019	Changes in Equity Share capital during the year 2019-20	Balance at the end of the reporting period i.e. 31st March, 2020	Changes in Equity Share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March, 2021
1,244.30	-	1,244.30	-	1,244.30

B. OTHER EQUITY

Rs. In Lacs

Particulars	Reserve & Surplus				Total
	General Reserve	Securities Reserve	Retained Earnings	Item of other comprehensive income	
Balance at the beginning of the reporting period i.e. 1st April, 2019	515.53	3,361.81	954.75	45.71	**4,877.79**
Profit/(loss) for the year	-	-	154.99	-	154.99
Other comprehensive Income inclusing net of Tax	-	-	-	(8.43)	(8.43)
Balance at the end of the reporting period i.e. 31st March, 2020	**515.53**	**3,361.81**	**1,109.74**	**37.27**	**5,024.35**
Balance at the beginning of the reporting period i.e. 1st April, 2020	515.53	3,361.81	1,109.74	37.27	5,024.35
Profit/(loss) for the year	-	-	(1,957.17)	-	(1,957.17)
Other comprehensive Income inclusing net of Tax	-	-	-	-	-
Balance at the end of the reportingperiod i.e. 31st March, 2021	**515.53**	**3,361.81**	**(847.43)**	**37.27**	**3,067.18**

Significant accounting policies and Notes to the financial statements **2 to 46**

As per our report of even date
For: Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

For and on Behalf of Board of
HILTON METAL FORGING LIMITED

Yuvraj Malhotra
Chairman & Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
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Anil Bansal
Partner
Membership no. 043918
Place : Mumbai
Date: 28th June, 2021

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Siddharth Jain
CFO
(ATJPJ8685J)

Note 3 - Property, Plant and equipment

Particulars	Gross Block of Assets				Depreciation				Net Block	
	As on 01/04/2020	Addition/ Transfer	Disposal/ Transfer	As on 31/3/2021	As on 01/04/2020	During the year	Deduction	As on 31/03/2021	As on 31/03/2021	As on 31/03/2020
Land	137.59	-	-	137.59	-	-	-	-	137.59	137.59
Building and Shed	745.98	-	-	745.98	245.37	13.19	-	258.56	487.42	500.61
Staff Quarters	106.46	-	-	106.46	35.88	1.95	-	37.83	68.63	70.58
Office Premises	1.70	-	-	1.70	1.70	-	-	1.70	0.00	0.00
Plant & Machinery*	4,452.75	215.59	-	4,668.34	2,015.01	192.36	-	2,207.36	2,460.98	2,437.75
Electrical Installation	95.35		-	95.35	64.94	8.50	-	73.44	21.91	30.41
Motor Car	6.73	-	-	6.73	6.40	-	-	6.40	0.34	0.34
Office Equipment	35.63	1.31	-	36.94	23.29	2.75	-	26.04	10.91	12.34
Desigins & Drawings	0.68	-	-	0.68	0.65	-	-	0.65	0.03	0.03
Computer	41.88	2.41	-	44.30	36.88	2.25	-	39.13	5.17	5.01
Furniture & Fixtures	92.07	-	-	92.07	62.97	5.94	-	68.91	23.16	29.10
Total	**5,716.83**	**219.32**	-	**5,936.15**	**2,493.07**	**226.95**	**-**	**2,720.01**	**3,216.14**	**3,223.77**
At 31st March 2020	5,672.31	44.52	-	5,716.83	2,268.91	224.16	-	2,493.07	3,223.77	3,403.40
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-

*The semi-finished goods of Rs. 203.36 Lakhs has been used for Captive consumtion in parts of plant and machinery.

HILTON METAL FORGING LIMITED

Notes to the Financial Statement for the year ended 31st March, 2021

Note 4- Investment Property

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Property held with investment	87.28	87.28
Total	**87.28**	**87.28**

Note 5- Non Current Investment

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Unquoted Shares		-
500 Equity Shares (P.Y. 500) of Rs. 100 each, fully paid up of Saraswat Co-Op Bank Ltd	0.50	0.50
Total	**0.50**	**0.50**

Note 6 - Trade receivables

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Non-current		
Unsecured, considered good	449.79	465.17
Total	**449.79**	**465.17**
Current		
Unsecured, considered good	941.86	3,350.87
Total	**941.86**	**3,350.87**

Note 7 - Other Financial Assets

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Non-current		
Secured - Considered Good		
Security deposit	26.99	26.99
Total	**26.99**	**26.99**
Current		
Secured - Considered Good		
Security deposit	6.58	6.30
Interest accrued on fixed deposit	4.36	6.42
Total	**10.93**	**12.72**

Note 8 - Inventories

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Raw Material (including Goods in Transit)	2,579.25	3,280.44
Semi Finished Goods	1,183.43	2,209.03
Finished Goods	64.32	83.89
Store, Spares & Consumables	38.07	32.67
Dies and Inserts	1,534.28	1,073.51
Total	**5,399.35**	**6,679.54**

*The semi finished goods of Rs. 673.65 Lakhs has been used for Captive consumtion in dies & inserts and part of plant and machinery.

Note 9 - Cash and Cash Equivalents

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Cash in hand	1.24	13.29
Balance with banks:		
On current accounts	5.17	0.34
Total	**6.41**	**13.63**

Note 10 - Other balances with Bank

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Other balance with banks		
Unpaid dividend account	1.15	1.74
EEFC account	1.03	1.97
earmarked deposit accounts	89.02	142.57
Total	**91.20**	**146.28**

Note 11 - Other current Assets

	As at 31st March 2021	As at 31st March 2020
(Unsecured, Considered Good)	Rs. In Lacs	Rs. In Lacs
Balance with Statutory Authorities	203.81	279.96
Others advances	865.24	640.65
Total	**1,069.05**	**920.61**

Note 12 - Share Capital

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
a. Authorised Share Capital		
15,000,000 (Previous year 15,000,000) Equity Shares of Rs. 10/- each.	1,500.00	1,500.00
Issued, Subscribed and fully paid -up Shares 12,443,016 (Previous year 12,443,016) Equity Shares of Rs. 10/- each.	1,244.30	1,244.30
Total Issued, Subscribed and fully paid-up Share Capital	**1,244.30**	**1,244.30**

b. Reconciliation of number of shares outstanding

Equity Share Capital

Particular	As at 31st March 2021		As at 31st March 2020	
	No. of shares	Rs. In Lacs	No. of share s	Rs. In Lacs
As at the beginning of the year	124.43	1,244.30	124.43	1,244.30
Add : During the year	-	-	-	-
As at the end of the year	**124.43**	**1,244.30**	**124.43**	**1,244.30**

c. Term/ Right Attached to Equity Share

The company has only one class of equity shares having a per value of Rs. 10 per share. Each share of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Details of Shareholders holding more than 5% shares in the Company

Particular	As at 31st March 2021		As at 31st March 2020	
	No. of shares	% Holding	No. of shares	% Holding
Name of the equity shareholder				
Yuvraj Hiralal Malhotra	57,04,559	45.85%	56,88,959	45.72%

Note 13 - Other equity

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
a) General Reserve		
Balance as per the last financial statement	515.53	515.53
Add: Transfer during the year	-	-
Closing balance	**515.53**	**515.53**
b) Share premium		
Balance as per the last financial statement	3,361.81	3,361.81
Add: Addition during the year	-	-
Closing balance	**3,361.81**	**3,361.81**
c) Other Comprehensive Income		
Balance as per the last financial statement	37.27	45.70
Add: Addition during the year	-	(8.43)
Closing balance	**37.27**	**37.27**
d) Surplus in the statement of profit and loss		
Balance as per the last financial statement	1,109.74	954.75
Add: Transfer during the year	(1,957.17)	154.99
Closing balance	**(847.43)**	**1,109.74**
Total	**3,067.18**	**5,024.35**

Note 14 - Borrowing

Particular	As at 31st March 2021		As at 31st March 2020	
	Non Current Rs. in Lacs	Current Rs. in Lacs	Non Current Rs. in Lacs	Current Rs. in Lacs
Secured Loans				
Term loans*	613.76	-	-	-
Indian rupee loan from Banks	**1,025.98**	**-**	**773.39**	**-**
Working capital loan**				
Foreign currency loan from Banks	-	301.75		-
Indian rupee loan from Banks	-	3,565.79		3,383.42
Unsecured Loans				
Indian rupee loan from Banks	6.83	-	52.36	-
sales tax deferred	110.13	-	110.13	-
Loan from Related Party (Refer Note 14.1)	107.89	-	133.76	-
	1,864.59	**3,867.54**	**1,069.65**	**3,383.42**
Less: Amount disclosed under the head current liabilities (Note-15)	358.71		76.59	
Net amount	**1,505.88**	**3,867.54**	**993.06**	**3,383.42**

*Term loans are secured by way of Mortgage of fixed assets as office premises and flats situated at mumbai and by the personal guarantee from managing director and directors.

**Working capital loan from banks is secured by way of hypothecation of present and future Inventories, Book debt, plant & machinery of the company and mortgage of the factory land & building situated at wada and by the personal guarantee from managing director and directors.

Note 14.1 - Loan from related parties

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Yuvraj Malhotra	15.47	42.76
Diksha Malhotra	78.90	79.65
Yashika Malhotra	13.53	11.35
Total	**107.89**	**133.76**

Note 15 - Provision

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Non Current		
Provision for gratuity	74.46	70.78
Provision for leave entitlements	5.40	7.84
Total	**79.85**	**78.63**
Current		
Provision for gratuity	12.28	13.61
Provision for leave entitlements	0.43	1.07
Total	**12.70**	**14.68**

Note 16 - Deferred tax liablities (Net)

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Deferred tax liabilities		
Related to fixed assets (net of losses)	277.05	669.86
Deferred tax liabilities (Net)*	**277.05**	**669.86**

* Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

Note 17 - Trade Payables

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Micro,Small & Medium Enterprises (Refer Note-41)	25.62	-
Others Payable	265.42	2,442.30
Total	**291.04**	**2,442.30**

Note 18 - Other financial liabilities

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Current	25.29	15.66
Current Maturity	358.71	76.59
Interest accrued but not Due	-	24.79
Unpaid Dividend	1.15	1.74
Others	-	12.00
Total	**359.86**	**115.13**

Note 19 - Other Current Liabilities

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Statutory Dues	7.29	10.16
Advance from customers	288.43	367.43
Other Current liabilities*	298.35	555.54
Total	**594.08**	**933.13**

* Other Current Liabilities include Creditor for capital expenditure & expenses

Note 20 - Provisions

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Current Income Tax	-	28.51
Total	**-**	**28.51**

Note 21 -Revenue From Operations

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Revenue from operations		
Sale of products	4,721.80	10,027.33
Other Operating Revenues	29.77	271.90
Total revenue from operations	**4,751.57**	**10,299.23**

Note 22 - Other Income

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Dividend	-	0.04
Discount Received	0.02	0.01
Interest on FDR	7.12	8.33
Rent Income	11.10	13.75
Total	**18.24**	**22.14**

Note 23 - Cost of material consumed

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Opening Stock	3,280.44	3,377.09
Add: Purchases (Including stores)	4,209.23	7,244.13
	7,489.67	**10,621.22**
Less: Closing Stock (including stores)	(2,617.32)	(3,280.44)
Total	**4,872.35**	**7,340.79**

Note 24 - Change in inventories of finished goods and Work in Progress

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Closing stock of finished goods	64.32	83.89
Closing stock of Semi-finished goods	1,183.43	2,241.71
	1,247.75	**2,325.59**
Less: Captive Consumption of Semi-finished goods	(673.65)	-
Less: Opening stock of finished goods	83.89	36.46
Opening stock of Semi- finished goods	2,241.71	2,000.34
	1,651.94	2,036.80
Total	**404.19**	**(288.79)**

*The semi finished goods of Rs. 673.65 Lakhs has been used for Captive consumtion in dies & inserts and part of plant and machinery.

Note 25 - Employee benefit expenses

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Salaries, wages and bonus	226.95	224.16
Contribution to provident and other funds	25.05	34.67
Staff welfare expenses	252.00	258.82
Total	**358.93**	**695.07**

Note 26 - Depreciation and amortization expense

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Depreciation on tangible assets	226.95	224.16
Dies amortize cost	25.05	34.67
Total	**252.00**	**258.82**

Note 27 - Finance Cost

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Interest on Borrowing	321.99	306.47
Other	72.15	34.19
Total	**394.14**	**340.66**

Note 28 - Other expenses

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Manufacturing expenses		
Power and fuel	306.27	469.83
Factory General Expenses	78.59	145.64
Labour Charges	28.42	27.23
Water Charges	5.21	6.40
Machinery Repairs & Maintenance	18.94	46.76
	437.43	**695.87**
Sales & Administration Expenses		
Advertisement & Sales Promotion Expenses	3.26	16.34
Communation Cost	2.92	4.44
Rent, Rates & Taxes	15.35	25.40
Traveling & Conveyance	28.90	55.46
Printing and Stationery	0.39	1.12
Freight & Forwarding Charges	156.48	771.80
Packing Material Consumed	17.85	35.26
Legal & Professional Charges	64.90	65.48
Auditors Remuneration	7.50	7.50
General expenses	103.19	125.37
	400.75	**1,108.16**
Total	**838.18**	**1,804.03**
Payment to Auditor		
Audit fee	**7.50**	**7.50**

Note 29 - Basic earnings per share

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Profit after tax (Rs. In Lacs)	(1,957.17)	154.99
Weighted average number of shares outstanding during the year (In Lacs)	124.43	124.43
Face value per share (In Rs.)	**10.00**	**10.00**
Basic & Diluted earnings per share (In Rs.)	**(15.73)**	**1.25**

Note 30 - Contingent liabilities

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Bank guarantee	-	100.00

Note 31 - Segment reporting

Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment, namely Manufacturing of Steel Forgings, Flanges and Forged Fittings for oil & gas industry, Petro-chemicals and refineries industry. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

Note 32 - Gratuity

The company operates one-defined plans, viz., gratuity Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 out of 26 days of salary for year of service. The gross obligation toward the gratuity at the end of the year on is Rs.86.74 Lacs (previous year, Rs. 84.39 Lacs.)

(i) Expenses recognised in the statement of profit and loss:

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Current service cost	4.73	4.67
Past service cost and loss/(gain)		-
Net interest cost	5.34	4.92
Total expenses recognized in the statement of profit or loss	**10.07**	**9.59**

(ii) Other Comprehensive Income for the current period

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Components of actuarial gain/losses on obligations:	(1.61)	4.34
Due to Change in financial assumptions	-	(0.06)
Due to Change in Demographic assumptions	(4.26)	1.73
Due to experience adjustments	**(5.86)**	**6.02**
Amounts recognized in Other Comprehensive Income		

Defined benefit obligation are as follows:

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Liability at the beginning of the year	84.39	68.78
Interest cost	5.34	4.92
Current service cost	4.73	4.67
Due to changes in financial assumption	(1.61)	4.34
Due to changes in demographic assumption	-	(0.06)
Past service cost		-
Due to experience Adjustment	(4.26)	1.73
Benefit Paid by Company	**(1.87)**	
Liability at the end of the year	**86.74**	**84.39**

The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

	As at 31st March 2021
	Rs. In Lacs
Discount rate	6.80% P.A
Salary Growth Rate	5% pa
Withdrawal Rate	10% pa at yonger ages reducing to 2% P.A at older ages
Average Age of retirement (years)	60

Note - 33 Leave Benefits

The benefits are governed by the companys Leave Policy. The gross obligation toward the Leave Benefit at the end of the year on is Rs.5.82 Lacs (previous year, Rs. 8.91 Lacs).

(i) Expenses recognised in the statement of profit and loss:

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Current service cost	0.93	1.11
Net interest cost	0.56	0.60
Net value of remeasurements on the obligation and plan asset	(3.69)	(1.18)
Total expenses recognized in the statement of profit or loss	**(2.20)**	**0.54**

(ii) defined benefit obligation:

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Opening Defined Benefit Obligation	8.91	8.37
Interest cost	0.56	0.60
Current service cost	0.93	1.11
Due to changes in financial assumption	(0.13)	0.46
Due to changes in demographic assumption	-	(0.00)
Benefit paid	(0.89)	-
Due to experience Adjustment	(3.57)	(1.63)
Liability at the end of the year	**5.82**	**8.91**

Key Assumpion used in determining obligations for the company's plans are shown below:

	As at 31st March 2021
	Rs. In Lacs
Discount rate	6.80% P.A
Salary Growth Rate	5% P.A
Withdrawal Rate	10% pa at yonger ages reducing to 2% p.a at old ages
Average Age of retirement (years)	60

Note 34 - Related Party Disclosure [as certified by Management]

(a) List of related parties where control exists and related with whom transactions have taken place and relationships:

Name of the Related Party	Designation	Relationship
Yuvraj Malhotra	Chairman and Managing Director (CMD)	Key Management Personnel
Navraj Malhotra	Whole time Director	
Diksha Malhotra	Director (upto 31/10/2019)	
Sanjay Jain	Director	
Sukesh Joshi	Director	
Nikita Moradia	Director	
Prithivish Mundra	Director	
Sandeep Shah	Director	
Labdhi shah	Company Secretary (Upto 30/11/2019)	
Richa Pankaj Shah	Company Secretary (from 17/08/2020)	
Yashika Yuvraj Malhotra	Chief Financial Officer(Upto 11/02/2019)	
Siddharth Jain	Chief Financial Officer(from 24/08/2020)	
Saurabh Johri	Chief Executive Officer (Upto 17/03/2020)	

b) Transactions with related parties for the year ended March 31, 2021

Particulars	Key Management Personnel	
	At at 31st March 2021 (In Lacs)	At at 31st March 2020 (In Lacs)
Remuneration & Salary		
Yuvraj Malhotra	-	45.00
Navraj Malhotra	22.00	24.00
Diksha Malhotra	-	22.50
Labdhi Shah	-	2.45
Yashika Yuvraj Malhotra	10.00	12.00
Saurabh Johri	-	24.00
Siddharth Jain	2.70	-
Loans taken		
Yuvraj Malhotra	31.71	50.04
Diksha Malhotra	-	59.25
Yashika Yuvraj Malhotra	5.18	0.70
Loans repayment		
Yuvraj Malhotra	59.01	92.25
Diksha Malhotra	0.75	57.53
Yashika Yuvraj Malhotra	3.00	2.50
Expenses Reimbursement		
Navraj Malhotra	10.74	-
C) Balances with related parties as at March 31, 2021		
Balance Outstanding at year end		
Yuvraj Malhotra	15.47	42.76
Diksha Malhotra	78.90	79.65
Yashika Yuvraj Malhotra	17.29	11.35
Labdhi Shah	-	0.26
Saurabh Johari	-	3.25
Siddharth Jain	0.44	-

Note 35 - Expenditure in foreign currency (accrual basis)

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Foreign Travelling	-	2.17
Total	**-**	**2.17**

Note 36 - Value of Imports calculated on CIF basis

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Trading goods	37.31	257.44
Total	**37.31**	**257.44**

Note 37 - Imported and indigenous raw material, components and spare parts consumed

Particular	As at 31st March 2019		As at 31st March 2018	
	% of total consumption	Amount in Rs.Lacs	% of total consumption	Amount in Rs.Lacs
Imported	1.13	59.50	-	-
Indigenous	98.87	5,217.05	100.00	7,426.73
Total	**100.00**	**5,276.55**	**100.00**	**7,052.00**

Note 38 - Financial Derivative Instruments

Foreign currency exposure that are not hedge by derivative instruments as on 31st March, 2021 is USD $ 1,383,250/- & Euro (€) 50,077/- [previous year USD $ 544,712.00]. The unhedged exposure are naturally hedged by foreign currency earings and earnings linked to foreign currency.

Note 39 - Categories Of Financial Instruments

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Financial Assets		
Break up of financial assets carried at amortised cost		
Trade receivables (Note 6)	1,391.65	3,816.04
Cash and Bank balances (Note 9 & 10)	97.61	159.91
Other financial assets (Note 7)	37.92	39.71
Total financial assets carried at amortised cost	**1,527.18**	**4,015.67**
Break up of financial assets at fair value through profit or loss		
Investments-Non-current (Note 5)	0.50	0.50
Total financial assets carried at fair value through profit or loss	**0.50**	**0.50**
Financial Liabilities		
Break up of financial liabilities carried at amortised cost		
Non Current-Long term Borrowings (Note 14)	1,505.88	993.06
Current-Short term Borrowings (Note 14)	3,867.54	3,383.42
Trade payables (Note 17)	291.04	2,442.30
Other Current Financial Liabilities (Note 18)	359.86	115.13
Total financial liabilities carried at amortised cost	**6,024.32**	**6,933.91**

The management has assessed that the carrying values of the Financial Assets and Liabilities at amortised cost approximate their fair value largely due to their short-term maturities of these instruments.

Note 40A - Financial Risk Management Objectives And Policies

The Company's principal financial assets include trade & other receivables, and cash & cash equivalents that derives directly from its operations. The Company's principal financial liabilities comprise trade & other payables and short term borrowings. The main purpose of majority of these financial liabilities is to manage working capital of the Company.

The Company is exposed to credit risk, market risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The below note explains the sources of risk which the Company is exposed to and how the entity manage the risk :

A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, primarily cash & cash equivalents.

i) Trade receivables

Customer credit risk is managed in accordance with the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored through credit lock and release effectively manage the exposure.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition,a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The Company does not hold any collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as most of its external customers are established players in their industry.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered related credit information for its customer, that's available in public domain to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

ii) Cash and Cash equivalents and Other financial assets

Credit risk from balances with banks is managed by the Board of Directors in accordance with the Company's policy. Investment of surplus funds are made for short-term in deposit with banks. Investments and Bank deposits are reviewed by the Board of Directors on a quarterly basis. Credit risk arising from short term liquid fund, cash and cash equivalents and other balances with banks is limited and no collaterals are held against these because the counterparties are banks.

Other financial assets mainly include security deposits & other receivables. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

B) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to different types of market risks. For the Company, the market risk is the possibility of changes in foreign currency exchange rates and commodity prices which may affect the value of the Company's financial assets, liabilities or expected future cash flows.

i) Commodity Risk

Commodity risk for the Company is mainly related to fluctuations in steel prices which drives the prices of billet, steel bars, and tubes. Since, steel is the primary input materials for making of forging, which are used in manufacturing the final products, any fluctuation in steel prices can lead to drop in operating margin. Most of these input materials are procured from approved vendors and subject to price negotiations. In order to mitigate the risk associated with raw material and components prices, the Company manages its procurement through productivity improvements, expanding vendor base and constant pricing negotiation with vendors. The Company renegotiates the prices with its customers in case there is more than normal deviation in the prices of its major raw materials. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk of fluctuations in foreign currency exchange rates on its financial liabilities including trade and other payables etc., which are mainly in US Dollars are mitigated through the natural hedge alignment, as Company's export sales are predominantly in US dollars and such economic exposure through trade and other receivables in US dollars provide natural alignment. Hence, a reasonable variation in the Foreign exchange rate would not have much impact on the profit or loss / equity of the Company. Net foreign currency exposure also reviewed by the Board of Directors on a quarterly basis.

Foreign currency sensitivity analysis

The Company is exposed to the currencies USD & EURO on account of outstanding receivables (+) and payables (-). The Company's net exposure to foreign currency risk at the end of the reporting period expressed in respective currencies given below;

Foreign currency exposure that are not hedge by derivative instruments as on 31st March, 2021 is USD $ 1,383,250/- & Euro (€) 50,077/- [previous year USD $ 544,712/-]. The unhedged exposure are naturally hedged by foreign currency earings and earnings linked to foreign currency.

C) Liquidity risk

Liquidity risk is defined as a risk that the Company will not be able to meet its obligations on time or at a reasonable price. An effective liquidity risk management takes into consideration in maintaining optimum level of cash and cash equivalents and the availability of funding through an credit facilities at a reasonable cost to meet the obligation when due. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team. Management continuously reviews the actual cash flows and forecasts the expected cash flows to monitor the liquidity position. All the current financial liabilities of the Company are due to be paid with in twelve months from the date from the Balance sheet date. All non-current financial liabilities are due to be paid in more than twelve months from the Balance sheet date. However the interest component of all the non-current financial liabilities if any will be payable as and when due, which may be with in twelve months from the date of Balance sheet date.

Fair Value

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
i) Class wise fair value of the Company's financial instruments:		
Investments (unquoted) in Equity shares	**0.50**	**0.50**

ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	"Significant unobservable inputs (Level 3)"
	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:			
Assets measured at fair value::			
Investment in equity shares	-	-	0.50
Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:			
Assets measured at fair value:			
Investment in equity shares	-	-	0.50

a) The Company has determined the carrying value of the investment as its fair value in the absence of any available fair value for its non-current investment which is carried at cost.

Note 40B - Capital Management

The primary objective of the Company's capital management is to maximise the shareholder value. For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company's objective when managing capital are to :

(i) Safeguard their ability to continue as a going concern, so that the Company maximise shareholder value and provide benefits for other stakeholders and

(ii) Maintain an optimal capital structure to reduce the weighted average cost of capital In order to maintain or adjust the capital structure.

	As at 31st March 2021	As at 31st March 2020
	Rs. In Lacs	Rs. In Lacs
Total Debt (Note 14)	5,732.13	4,453.07
Less: Cash and Cash Equivalents (Note 9)	**(96.46)**	**(158.17)**
Net Debts	5,635.67	4,294.90
Total Equity	4,311.48	6,268.65
Net Debt/ Equity ratio	1.31	0.69

Note 41 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Dues to micro and small enterprises as defined under MSMED Act, 2006, the company has not made interest provision on late payment to creditors, due to the negotiation on the accepted date, under the said act as per the applicable provisions of the law in respect to the extent of such parties have been identified on the basis of information collected by the Management. Further the company has not received intimation from every "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Note 42 - Deferred taxs

Deferred tax is calculated in temporary differences between accounting and tax values as well as any tax losses carried forward at the year-end. Net deferred tax assets are recognized only to the extent that it is probable they will be utilized against future taxable profits.

Note 43 - Out of the total debtors of Rs.1391.65 Lakhs As at March 31, 2021, Rs.449.79 Lakhs has more than one year at the year end. For this the management is in discussion with these debtors to expedite the recoverability of the above aforesaid outstanding amounts and believes that the entire amount is fully recoverable. In view of the forgoing, no provision is considered necessary in these financial statements in this regard.

Note 44 - The spread of COVID-19 has severely impacted business in many countries including India and there have been severe disruption to regular business operations due to lockdown and other emergency measures. This may impact the Company's operations. The Company has made assessment of liquidity, recoverable values of its financial and non-financial assets, financial and non-financial liabilities, carrying value of its subsidiaries including possible obligations arising from any ongoing negotiations with customers, vendors and regulatory exposures across businesses and geographies and has concluded that there are no material adjustments required in the interim financial results and annual financial statements. The management believes that it has assessed and taken all the possible impacts known from these events wherever possible outcome is known. However, given the effect of these on the overall economic activity and in particular in the industry in which Company operates, the impact assessment of COVID-19 is a continuous process, given the significant estimation and uncertainties associated with its nature, duration and outcome of any negotiations. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions and its consequential impact on its financial results.

Note 45 - Trade receivable, trade payable, loans & advances and outstanding balance are subject to confirmation and reconciliation. However, the Management does not expect any material variation in the financial results.

Note 46 - The figures for the corresponding previous year have been regrouped/ reclassified wherever necessary, to make them comparable.

As per our report of even date
For: Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

For and on Behalf of Board of
HILTON METAL FORGING LIMITED

Yuvraj Malhotra
Chairman / Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Partner
Membership no. 043918
Place : Mumbai
Date: 28th June, 2021

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Siddharth Jain
CFO
(ATJPJ8685J)