

Hilton Metal Forging Limited

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

1. Preamble: The Schedule IV of the Companies Act, 2013 and the Clause 49 of the Listing agreement entered with the Stock Exchanges mandates the Company to familiarize the Independent Directors with the Company.

2. Purpose: The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

3. Familiarization Process :

3.1. The Company shall through its Executive Directors / Senior Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company;

3.2. Such programs / presentations will provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time;

3.3. The programs / presentations shall also familiarize the Independent Directors with their roles, rights and responsibilities;

3.4 Programs are conducted by the following departments and the heads of the respective departments are introduced to the independent director.

Legal & Secretarial: Covering details of the Company, its history, shareholding pattern, the Board structure, the Board Committees and their functions, policies applicable to the director, their roles, responsibilities, duties, rights as a director, details of important legal cases, their status and impact, etc.

Marketing: Covering details of nature of industry, types of products, position of the Company in the industry, sales and distribution channel, etc.

Finance: Covering details of the business model of the Company, financial details, risk management, treasury management, etc.

Technical: Tour of the plant explaining about various stages of manufacturing process, production capacity, etc.

3.5. The Company may conduct an introductory familiarization program / presentation, when a new Independent Director comes on the Board of the Company.

3.6. The independent director is also taken for visit to the factory plant locations as and when required. In addition to the above, in case the director is interested in meeting any specific department or function or getting any further detail, the same is also arranged.

Appointment as Independent Director of Hilton Metal Forging Limited

Dear Sir/Ma'am,

We are pleased to inform you that the Board of Directors of Hilton Metal Forging Limited has, on [•], appointed you as an Independent Director, pursuant to the provisions of the Companies Act 2013 and the Listing Agreement with the stock exchanges. This letter sets out the terms of your appointment as an Independent Director, which shall be subject to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the stock exchanges, as amended from time to time. Please note your appointment shall be subject to approval of shareholders at the ensuing Annual General Meeting.

1. Term of appointment Unless extended or terminated earlier, as per the provisions of this letter or applicable laws, your appointment shall be for a period of 5 years ("Term"). You shall not be liable to retirement by rotation.

2. Code of Conduct & Business Ethics You are required to abide by the 'Code for Independent Directors' as outlined under Schedule IV of the Companies Act, 2013, HMFL's Code of Conduct and Policies framed for the Board and Senior Management, and the Code of Conduct for Prevention of Insider Trading adopted by HMFL and such other codes/ policies/ requirements as the Board of Directors may specify from time to time.

3. Duties of Independent Director

a. Statutory As an Independent Director, you shall be required to discharge such duties and responsibilities as are provided under the Companies Act, 2013, as also under the Listing Agreement and any other rules or regulations (including SEBI regulations) applicable to the Company.

b. Attendance in Meetings You are requested to attend all meetings of the Board and of the Committees in which you are a member. You are also requested to attend the meetings of shareholders convened from time to time.

c. Appointment in Committees As an independent Director, you may be appointed by the Board of Directors as a member/chairperson of any of its committees. The terms of reference and tasks of such committees in which you may be appointed shall be communicated upon appointment.

d. Fiduciary Duties & Liabilities Your duties as an Independent Director include:

i. To act in the best interests of the shareholders of HMFL.

ii. To act without any conflict of interest and always put the interests of HMFL as paramount. iii. To make informed decisions and exercise due care and diligence in discharging your role as an Independent Director.

4. Directors and Officers Liability Insurance: maintains and shall continue to maintain a Directors' & Officers' Liability insurance for the entire Term of this appointment, subject to the terms of such policy in force from time to time. A copy of the policy document shall be furnished upon request.

5. Prohibited actions/ activities for Directors:

a) Unless specifically authorized by Board of Directors of HMFL, you are expected not to disclose or share any data, business plans, strategic and operational information about the Company to public constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers, among others.

b) You shall not participate in any business activity which might impede the application of independent judgment in the best interest of HMFL.

6. Remuneration:

a) You shall be entitled to sitting fees for attending the meetings of the Board and the Committees to which you may be appointed as a member/ chairman.

b) In addition to the sitting fee, a commission may also be paid upon recommendation by Nomination & Remuneration Committee, which shall be subject to the approval of the Board and shareholders (if required).

c) HMFL may pay or reimburse such fare and reasonable expenses, as may have been incurred for attending the Board/ Committee/ shareholders meetings of the Company or while performing any other function assigned to you by the Company, and such expenses as incurred while performing the role as an Independent Director of the Company.

7. Evaluation: The performance of the Independent Director shall be evaluated every year as per HMFL's Board Evaluation Policy.

8. Confidentiality: You shall not use any confidential information relating to the Company and its affairs that may be available to you as an Independent Director for personal benefit or for the benefits of any third parties or to the detriment of the Company.

9. Termination: In addition to the grounds of termination specified under Companies Act, 2013, this appointment may be terminated for violation of any provision of the Code of Conduct and Policies framed by HMFL for Board and senior management. During the currency of the Term, if there is any change that may affect your status or appointment, as envisaged in Section 149(6) of the Companies Act, 2013 or Clause 49 of the Listing Agreement, you agree to promptly notify HMFL regarding such change.

The Board is confident that HMFL will immensely benefit from your rich experience and is eager to have you as an integral part of the growth of the Company. Kindly return a signed copy of this letter as token of acceptance.

Yours Sincerely
For Hilton Metal Forging Limited