

HF

HILTON
METAL FORGING LTD.

Annual Report 2018-2019

BOARD OF DIRECTORS

Shri Yuvraj Malhotra
Shri Navraj Malhotra
Smt Diksha Malhotra
Shri Sandeep Ravindra Shah*
Shri Sukesh Kumar Joshi
Shri Sanjay Jain
Shri Rajiv Verma
Shri Prithivish Mundra**
Miss Nikita Natwarlal Moradia***

*Appointed as on 15th May, 2019

**Appointed as on 5th August, 2019

***Appointed as on 6th August, 2019

Chairman and Managing Director
Whole time Director
Executive Women Director
Independent Director
Independent Director
Independent Director
Independent Director
Independent Director

COMPANY SECRETARY

#Ms. Labdhi Shah

#Appointed as on 31st January, 2019

CHIEF FINANCIAL OFFICER

Ms. Yashika Yuvraj Malhotra

STAUTORY AUDITORS

M/s Anil Bansal & Associates.

Chartered Accountants

1001 IJMIMA Complex,

Raheja's Metroplex, Link Road,

Malad (W), Mumbai – 400064

COST AUDITORS

NNT & Co.

Cost Accountants

602 Silver Matru Prabha

Cama Lane, Kirod Road,

Ghatkopar West, Mumbai -400 086.

REGISTRAR & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt Ltd

Unit No 1, Luthra Industrial Premises,

Andheri Kurla Road, Safed Pool

Andheri East, Mumbai -400 072.

INTERNAL AUDITORS

M/s P Dangyach & Associates

Chartered Accountants

B 202 Sheraten Classic

Dr Charat Sing Colony

Chakala Andheri East,

Mumbai-400069

REGISTERED OFFICE

701 Palm Spring, Link Road,

Malad West, Mumbai 400 064

PLANT

Plot No 28, 29

Shah and Mehta Industrial Estate,

Village Ghonsai,

Taluka Wada, Dist Thane 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 Fourteenth Annual General Meeting of the Members of Hilton Metal Forging Limited will be held on Saturday, 28th September 2019 at Whispering Palms Club House, Whispering Palms, Lokhandwala Town Ship, Kandivali East, Mumbai 400 101 at 4.00 p.m. to transact the following businesses:

ORDINARY BUSINESS:**Item No. 1 - Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements for the Financial year ended 31st March 2019 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 2019-2020**

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 NNT & Co., Cost Auditors (Firm Registration No. 28904), who are appointed by the Board of Directors of the Company (the 'Board') as Cost Auditors of the Company to conduct the Audit of the Cost records for the Financial Year 2019- 2020, be and is hereby ratified and approved."

"RESOLVED FURTHER THAT the Board (which expression shall be deemed to include any Committee thereof), 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."

Item No. 4 - Appointment of Mr. Sandeep Ravindra Shah as an Independent Director of the Company

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Mr. Sandeep Ravindra Shah (DIN- 06402659), who was appointed as an Additional Independent Director w.e.f. 15th May 2019 and who holds office in terms of Section 161 of the Companies Act, 2013 upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2018-2019 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for 5 (five) consecutive years with effect from 28th September 2019 upto 28th September, 2024."

"RESOLVED FURTHER THAT the Board (which expression shall be deemed to include any Committee thereof), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Item No. 5 - Appointment of Mr. Prithivish Sushil Mundra as an Independent Director of the Company

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Mr. Prithivish Sushil Mundra (DIN- 08529151), who was appointed as an Additional Independent Director w.e.f 5th August 2019 and who holds office in terms of Section 161 of the Companies Act, 2013 upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2018-2019 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for 5 (five) consecutive years with effect from 28th September 2019 upto 28th September, 2024."

"RESOLVED FURTHER THAT the Board (which expression shall be deemed to include any Committee thereof), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Item No. 6 - Appointment of Ms. Nikita Moradia as an Independent Director of the Company

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Nikita Natwarlal Moradia (DIN- 08530305), who was appointed as an Additional Independent Director w.e.f 6th August 2019 and who holds office in terms of Section 161 of the Companies Act, 2013 upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2018-2019 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member, proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for 5 (five) consecutive years with effect from 28th September 2019 upto 28th September, 2024."

"RESOLVED FURTHER the Board (which expression shall be deemed to include any Committee thereof), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Item No.7 - Re-Appointment of Mr. Sanjay Jain (DIN 00152758) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, and any other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sanjay Jain (DIN 00152758), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company, with effect from 28th September 2019 upto 28th September, 2024."

"RESOLVED FURTHER the Board (which expression shall be deemed to include any Committee thereof), be and is hereby authorized to take all such steps as may be necessary, proper and 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:

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

Date: 11-08-2019

Place: Mumbai

NOTES:

1. The 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.
2. 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.

3. Voting & Proxy:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE AND MORE PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MBER.
- b) Proxies, duly stamped and executed, must reach at the Registered Office of the Company not less than 48 Hours before the commencement of the Annual General Meeting.. Proxies submitted on behalf of limited companies, societies, partnership firms, etc., must be supported by appropriate resolution/authority letter/power of attorney, as applicable, issued by the member organization. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified true copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- c) In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and further a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- d) In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
- e) Members /proxies /authorized Representatives attending the meeting should bring the enclosed Attendance Slip, duly filled in for handing over at the venue of the meeting.

4. Closure of Books:

The Register of Members and Share Transfer Book of the Company will remain closed from Saturday 21st September 2019 to Saturday 28th September 2019 (both days inclusive).

5. 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 2010-11 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 2011-12. The Balance amount lying in unpaid Dividend Account for the Financial Year 2011-12 is due for transfer to IEPF on 28th September, 2019.

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 2010-11 to DEMAT Account of IEPF Authority.

6. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Saturday 21st September 2019.

7. Updation of records:

- a) Members are requested to intimate to Sharex Dynamic (India) Private Ltd, Registrar and Transfer Agents of the Company their e-mail address for sending notice /documents through e-mail as per directives issued by Government of India, Ministry of Corporate Affairs, vide Circular No 17/2011 dated 21.04.2011 Members are requested to address all correspondences including dividend matters to the Registrar and Transfer Agents,

Sharex Dynamic (India) Private Ltd,

Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri – Kurla Road,
Andheri – East, Mumbai - 400 072,
Email- henry@sharexindia.com

- b) Members whose shareholding is in dematerialized form are requested to notify immediately the change in their address, bank mandates and e-mail IDs to their respective depository participants. Member holding shares in physical form are requested to intimate any change in address, bank mandates and e-mail IDs immediately to Company/ Sharex Dynamic (India) Private Ltd.

The Email ID Provided shall be updated subject to verification of your signatures as per the records available with the RTA of the Company.

- c) Non Resident Indian Members are requested to inform the Companies RTA, immediately of any change in the residential status on return to India for permanent settlement, their bank account maintained in India with Complete name, branch, account type, account number and address of the bank with Pin Code, IFSC and MICR Code as applicable, if such details are not furnished earlier.
 - d) Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.
8. As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in dematerialized may contact their respective Depository Participants for recording of nomination.
 9. Members are requested to bring their copies of Annual Report to the Meeting. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote. Members /proxies attending the meeting should bring the Attendance Slip, duly filled in for handing over at the venue of the meeting.
 10. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to Company at its' 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.
 11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM. Relevant documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection for eligible members on all working days except on Saturdays, and holidays between 11.00 a.m. to 1.00 p.m. upto the date of the 14th Annual General Meeting.
 12. The Ministry of Corporate Affairs has allowed paperless compliances by companies through electronic mode by providing the same under the Companies Act, 2013 and rules framed thereunder. The Members can now receive various notices and documents including Annual Reports through electronic mode. Members who have not registered their e-mail address are encouraged to participate in this green initiative by registering their e-mail id for e-communication. Members are requested to register / update their e-mail id for e-communication with the Depository Participants. Even after registering for e-communication, Member(s) are entitled to receive communication(s) including Annual Report in physical form, free of cost, on receipt of written request for the same. Members may also note that the Annual Report for the financial year 2019 together with Notice of the 14th Annual General Meeting, Attendance Slip, Proxy Form and Route Map will also be available on the website of the Company viz. www.hiltonmetal.com for their download.
 13. In accordance with the provisions of Section 101 of the Companies Act, 2013 read along with Rule 18 of the Companies (Management and Administration) Rules, 2014, copy of Annual Report of the Company for Financial Year 2019 along with the Notice of the 14th Annual General Meeting inter alia indicating the process and manner of e-voting along with Attendance Slip, polling paper and Proxy Form and Annual Report for 2019 are being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 14th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
 14. Route Map of the Venue of the Proposed AGM of the Company is appearing at the end of this Annual Report.
 15. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 14th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on 25th September 2019 at 10.00 AM and ends on 27th September 2019 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date

(record date) of 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "HILTON METAL FORGING LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

(B) The voting period begins on 25th September 2019 at 10:00 a.m and ends on 27th September 2019 at 5:00 p.m.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

Other Instructions

- i. The Members who have not casted their vote by remote e-voting prior to the Annual General Meeting ("AGM") can exercise their voting rights at the AGM. The Members who have already exercised their right to vote by remote e-voting may attend the AGM but shall not be entitled to vote at the AGM. If a Member casts vote again at the AGM, then votes casts through remote e-voting facility shall prevail and voting at the Meeting will be treated invalid.
- ii. The Voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, Saturday, September 21st 2019.
- iii. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Ownership maintained by the RTA/Depositories, as the case may be, as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM. Any person who has ceased to be the Member of the Company as on the cut-off date will not be entitled for remote e-voting or voting at the AGM and should treat this Notice for information purpose only. Any person, who becomes Member of the Company after dispatch of the Notice and holding shares as of the cutoff date, may obtain the login ID and password by sending a request to CDSL at helpdesk.evotingindia@cdslindia.com. However, if you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- iv. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- v. Ms. Shreya Shah, Practicing Company Secretaries (Membership No. 39409) has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- vi. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of polling paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- vii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- viii. The Results declared along-with the Scrutinizer's Report shall be placed on the Company's website www.hiltonmetal.com and on the website of CDSL www.cdslindia.com within 48 hour of passing of the resolutions at the 14th Annual General Meeting of the Company and communicated to the National Stock Exchange of India Limited and BSE Limited, where the shares of the company are listed.

For and On Behalf of Board of Directors

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

Registered office:

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

Date: 11-08-2019

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 NNT & Co., Cost Accountant, Mumbai to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2020 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.

ITEM NO. 4:

Based on the recommendation of the Nomination and Remuneration Committee, Mr. Sandeep Ravindra Shah was appointed as an Additional Independent Director of the Company with effect from 15th May 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, to hold office only up to the date of the ensuing Annual General Meeting of the Company.

Mr. Shah meets the criteria of independence as provided in Section 149(6) of the Act and is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

The Company has received notice in writing from member as per Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Shah, as an Independent Director of the Company.

The Board is of the view that the appointment of Mr. Shah on the Company's Board as Director is desirable and would be beneficial to the Company. Mr. Shah fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and is independent of the management.

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

Details of Mr. Shah is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Except Mr. Shah, being appointee,, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO.5

Based on the recommendation of the Nomination and Remuneration Committee, Mr. Prithivish Sushil Mundra was appointed as an Additional Independent Director of the Company with effect from 5th August 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, to hold office only up to the date of the ensuing Annual General Meeting of the Company.

Mr. Mundra meets the criteria of independence as provided in Section 149(6) of the Act and is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

The Company has received notice in writing from member as per Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Mundra, as an Independent Director of the Company.

The Board is of the view that the appointment of Mr. Mundra on the Company's Board as Director is desirable and would be beneficial to the Company. Mr. Mundra fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and is independent of the management.

Accordingly, the Board recommends the resolution as set out of Item no.5 of the Notice for the approval of the shareholders.

Details of Mr. Mundra is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Except Mr. Mundra, being appointee, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 6

Based on the recommendation of the Nomination and Remuneration Committee, Ms. Nikita Natwarlal Moradia was appointed as an Additional Independent Director of the Company with effect from 6th August 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, to hold office only up to the date of the ensuing Annual General Meeting of the Company.

Ms. Moradia meets the criteria of independence as provided in Section 149(6) of the Act and is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Director.

The Company has received notice in writing from member as per Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Moradia, as an Independent Director of the Company.

The Board is of the view that the appointment of Ms. Moradia on the Company's Board as Director is desirable and would be beneficial to the Company. Ms. Moradia fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and is independent of the management.

Accordingly, the Board recommends the resolution as set out of Item no.6 of the Notice for the approval of the shareholders.

Details of Ms. Moradia is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Except Ms. Moradia, being appointee,, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM NO.7:

Mr. Sanjay Jain was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. He held office as Independent Director of the Company up to the conclusion /date of the ensuing Annual General Meeting of the Company ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors has recommended reappointment of Mr. Jain as an Independent Director on the Board of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Jain would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Mr. Jain meets the criteria of independence as provided in Section 149(6) of the Act and is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

The Company has received notice in writing from member as per Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Jain, as an Independent Director of the Company.

Accordingly, the Board recommends the Special Resolution set out at Item Nos.7 of the Notice, for the approval of the members of the Company.

Details of Mr. Jain is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Except Mr. Jain, being appointee, none of the Directors or Key Managerial Personnel of the Company or their respective relatives, are, in any way concerned or interested in the resolution set out at Item Nos.7 of the Notice.

For and On Behalf of Board of Directors

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

Registered office:

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

Date: 11-08-2019

Place: Mumbai

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING 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	Mr. Sandeep Ravindra Shah	Mr. Prithivish Sushil Mundra	Ms. Nikita Natwarlal Moradia	Mr. Sanjay Jain
Nationality	Indian	Indian	Indian	Indian	Indian
Date of Birth	24/03/1966	10/07/1964	13/05/1992	22/06/1994	25/11/1965
Qualification	B.E.	B.Com	Masters from Durga Devi Saraf	Bachelors' degree in Finance Market and MBA specialized in Finance from the Institute of Technology and Finance	He is an Engineering graduate with specialization in Metallurgy.
Date of Appointment	21/07/2005	15/05/2019	05/08/2019	06/08/2019	29/03/2006
Expertise	He has 31 years' experience in Forging Industry and looks after Marketing and the day to day affairs of the Company	He has 30 years' of experience in secretarial, financial, client management and coordination with various Stock Exchanges.	He has done graduation from MMK and Masters from Durga Devi Saraf. He has 14 months working experience with SSnC Globeop	She has over three years of experience in the financial market and is currently working with Kotak Securities.	He has over 20 years' of experience in the industry.
Directorships in other public companies as on 31st March, 2019	NIL	Karda Constructions Limited	NIL	NIL	NIL
Chairman / Member of any other Committees as on 31st March, 2019	Chairperson of Audit Committee	Member of NRC Committee	N.A.	N.A.	Member of NRC Committee

For and On Behalf of Board of Directors

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

Registered office:

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

Date: 11-08-2019

Place: Mumbai

DIRECTORS' REPORT

To

The Members**Hilton Metal Forging Limited**

Your Directors have pleasure in presenting the Fourteenth Annual Report together with the Audited Statements of Accounts and the Auditors Report of your Company for the Financial Year (FY) ended March 31, 2019.

1. FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	FY 2018-19	FY 2017-18
Total Income	10133.37	9630.75
Total Expenses	9985.09	9542.29
Profit Before Tax	148.28	88.47
Provision for Tax	-6.77	61.26
Profit After Tax	155.05	27.21

During the FY under review, the total revenue of the Company increased by 4.96% to Rs. 10133.37 Lakhs (PY: Rs. 9630.37 Lakhs). The Profit after tax increased by 82.45% to Rs. 155.05 Lakhs (PY: Rs. 27.21 Lakhs). The Company's performance for the FY under the review has improved considerably.

2. CHANGE IN NATURE OF BUSINESS, IF ANY

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

3. 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 for the Financial Year 2019.

4. DIVIDEND

To conserve the resources, your Directors have not recommended any dividend for the FY 2018-2019.

5. 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.

6. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

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

7. 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	2011-12	29.09.2012	41,731	28-09-2019
2	2012-13	30.09.2013	59,404	28-09-2020
3	2013-14	27.09.2014	46,383	25-09-2021
4	2014-15	30.09.2015	68,632	28-09-2022
5	2015-16	NA	-	-
6	2016-17	NA	-	-
7	2017-18	NA	-	-

8. 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

9. 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 as "Annexure I"

10. 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, the following change took place in the composition of the Board:

Name of the Director Date of Appointment

Mr. Sukesh Kumar Joshi 8th June 2018

Appointment/Re-appointment of Directors in AGM

In terms of provisions of the Companies Act, 2013, Mr. Yuvraj Hiralal Malhotra, 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.

Mr. Sanjay Jain, Non-Executive Independent Director of the Company is seeking re-appointment for second term of 5 (five) years to hold office upto the date of Annual General Meeting for the financial year 2023-24. Based on the recommendation of Nomination and Remuneration Committee, his re-appointment for second term is proposed at the ensuing AGM for the approval of Members by way of special resolution. The Board recommends his re-appointment.

Mr. Sandeep Shah, Mr. Prithivish Mundra and Ms. Nikita Moradia were appointed as Additional Independent Directors of the Company w.e.f 15th May 2019, 5th August 2019 and 6th August 2019 respectively upto the date of ensuing Annual General Meeting. The Board have proposed to appoint them as Independent Directors of the Company, for the period of 5 (five) consecutive years, which is subject to approval of the shareholders of the Company. The Company has received their declarations as required under the provisions of section 149 and 164(2) of the Companies Act, 2013. The Board recommends their re-appointment.

As stipulated under the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief resume of the Directors proposed to be appointed/re-appointed is given in the Notice convening 14th Annual General Meeting.

Key Managerial Personnel

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, Key Managerial Personnel of the Company as on 31st March 2019 are Mr. Yuvraj Malhotra, Managing Director, Ms. Yashika Malhotra, Chief Financial Officer and Ms. Labdhi Shah, Company Secretary & Compliance Officer.

During the FY under review, Mr. Sajan Motwani has tendered his resignation from the post of Company Secretary & Compliance Officer w.e.f 12th November 2018. The Directors at their meeting held on 8th February, 2019 appointed Ms. Labdhi Shah as the "Company Secretary & Compliance Officer" of the Company w.e.f. 31st January 2019, pursuant to Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

b) Declaration by Independent Director(s)

All Independent Directors have given their respective declarations that they meet the criteria of independence as laid down under section 149(7) of the Companies Act, 2013.

c) Number of Meetings of the Board

During the year under review, Seven Board Meetings were convened and held and a separate meeting of Independent Directors was convened during the year under review. 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 120 days as prescribed under the Act.

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 as under. A detailed note on the composition of Board and its committees is provided in the Corporate Governance Report forming part of this Annual Report.

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.

11. 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 2019 and confirm that:

- a. in the preparation of the annual accounts, for financial year 2018-19, 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 through 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, 2019 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 NNT & Co., Cost Accountants as the cost auditor of the Company for conducting the Cost Audit for the Financial year 2019-20.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor forms part of the Notice convening the 14th 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 Shreya Shah, Practicing Company Secretaries (Membership No. 39409) for conducting Secretarial Audit of the Company for the financial year ended on March 31, 2019.

The Secretarial Audit Report for the financial year ended 31st March, 2019 is annexed herewith as 'Annexure III' to this Report. In his Report the Secretarial Auditor has observed that following:

- i. Non-filing of Foreign Liabilities and Assets return for the year ended March, 2019

Directors Comments:

The Board is of the view that the said provisions are not applicable to the Company.

- ii. Non-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 within the prescribed time limits under to Section 124 of the Companies Act, 2013 read with rules framed thereunder

Directors Comments:

The compliance with the said provisions were inadvertently missed out which was complied with on later date.

- iii. Audit Committee Meeting was convened on 12th November, 2018 with the presence of only one independent director as against the requirements of atleast two independent directors as prescribed under Regulation 18(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Directors Comments:

Mr. Harmohindar Singh Dhingra, then Chairman of Audit committee could not attend the aforesaid committee meeting since he was travelling to treat his severe health issues. Mr. Dhingra subsequently retired from the directorship and chairmanship of the Committee w.e.f. 15th May, 2019. The Audit Committee was then duly reconstituted by the Board at their meeting held on 26th July, 2019 by appointing Mr. Prithivish Mundra, Independent Director, to act as the Chairman of the Audit Committee.

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 Auditor 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 2019 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 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, 2019 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, 2014, 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 March 31, 2019, 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.

27. 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 wishes 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

Sd/-

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Place: Mumbai

Dated: 11-08-2019

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

a) 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:

Earning : (FOB) Rs. 3815.72 Lacs

Outgo :

For Expenses Rs. 76.38 Lacs

For Purchases Rs. 711.45 Lacs

For and on behalf of the Board of Directors

Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156

Place: Mumbai
Dated: 11-08-2019

**ANNEXURE-I
FORM NO. MGT-9**

Extract of the Annual Return as on the financial year ended March 31st, 2019
(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS

- i. **CIN** : L28900MH2005PLC154986
- ii. **Registration Date** : 21st July 2005
- iii. **Name of the Company** : HILTON METAL FORGING LIMITED
- iv. **Category** : Company Limited by shares
Sub-Category of the Company : Indian Non-Government Company
- v. **Address of the Registered Office and contact details:**
701, Palm Spring, Link Road, Mumbai- 400064
Tel.: 022-4042 6565, Fax: 022-40426566
Email: secretarial@hiltonmetal.com
Website: www.hiltonmetal.com
- vi. **Whether Listed Company:** Yes, Listed on BSE and NSE.
- vii. **Name, Address and Contact details of Registrar and Transfer Agent:**
M/s. Sharex Dynamic (India) Private Limited.
Unit 1, Luthra Industrial Premises
Safed Pool, Andheri – Kurla Road
Andheri – East, Mumbai - 400 072
Ph: 022 – 28515606/5644.
Fax :022-28512885
Website: www.sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES

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

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

III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

i) **Category-wise Share Holding**

Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2018)				No. of shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physi- cal	Total	% of total Shares	Demat	Physi- cal	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6164962	-	6164962	49.546	6236962	-	6236962	50.124	0.578

b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	6164962	-	6164962	49.546	6236962	-	6236962	50.124	0.578
(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)	6164962	-	6164962	49.546	6236962	-	6236962	50.124	0.578
B. Public Shareholding									
1. Institutions									
a) Mutual Funds		0				0			0.000
b) Banks / FI	32971	0	0.265		71	0	71	0.001	-0.264
c) Central Govt	10212	0	0.082		6431	0	6431	0.052	-0.030
d) State Govt(s)		0				0			0.000
e) Venture Capital Funds		0				0			0.000
f) Insurance Companies		0				0			0.000
g) FIs		0	583000	4.685		0			0.000
h) Foreign Venture Capital Funds		0				0			0.000
i) Others		0				0			0.000
Sub-total (B)(1):-	43183		43183	0.347	6502	0	6502	0.053	-0.294
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	493431	-	493431	3.966	281160	-	281160	2.260	-1.706
ii) Overseas	-				-				
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3855065	5	3855070	30.982	3867878	5	3867883	31.085	0.103
ii) Individual shareholders holding nominal share capital in									

excess of Rs 1 lakh	1523133	0	1523133	12.241	1723430	0	1723430	13.851	1.610
c) Others (specify)									
Trusts	-	-	-	-	-	-	-	-	-
Clearing member	129817	0	129817	1.043	88727	-	88727	0.713	-0.33
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians	83420	0	83420	0.67	88352	0	88352	0.71	0.04
Overseas Corporate Bodies	0	150000	150000	1.205	150000	0	150000	1.205	1.205
Sub-total (B)(2):	6084866	150005	6234871	50.107	6199547	5	6199552	49.824	-0.283
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6128049	150005	6278054	50.454	6206049	5	6206054	49.877	-0.577
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	12293011	150005	12443016	100	12443011	5	12443016	100	-

(ii) Shareholding of Promoters

Shareholders Name	No. of shares held at the beginning of the year (As on 01.04.2018)			No. of shares held at the end of the year (As on 31.03.2019)			% 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	5662334	45.506	44.812	5687334	45.707	44.812	0.201
DIKSHA YUVRAJ MALHOTRA	346975	2.789	0	393975	3.166	0	0.377
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 (please specify, if there is no change)

	Shareholding at the beginning of the Year (As on 01.04.2018)		Cumulative Shareholding during the Year (As on 31.03.2019)	
	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	5662334	45.506		
15-03-2019	25000	0.201	5687334	45.707
At the End of the year	5687334	45.707	5687334	45.707

Diksha Yuvraj Malhotra					
At the beginning of the year	346975	2.789	346975	2.789	
15-03-2019	43000	0.345	389975	3.134	
22-03-2019	4000	0.032	393975	3.166	
At the End of the year	393975	3.166	393975	3.166	

(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 01.04.2018)		Cumulative Shareholding during the Year (As on 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. SUBRAMANIAN P					
At the beginning of the year		362590	2.914	362590	2.914
Changes during the year					
Date	Reason				
22-02-2019	Buy	1800	0.0144	364390	2.928
01-03-2019	Buy	10920	0.0877	375310	3.016
08-03-2019	Buy	960	0.0077	376270	3.024
At the End of the year			376270	3.024	
2. DEEPAK GUPTA					
At the beginning of the year		210964	1.695	210964	1.695
Changes during the year					
Date	Reason				
06-04-2018	Sold	-12000	-0.096	198964	1.599
27-04-2018	Sold	-10000	-0.080	188964	1.519
01-03-2019	Buy	10281	0.083	199245	1.601
08-03-2019	Buy	16720	0.134	215965	1.736
15-03-2019	Sold	-10502	-0.084	205463	1.651
29-03-2019	Buy	17097	0.137	222560	1.789
At the End of the year		222560	1.789	222560	1.789
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		0	0	0	0
Changes during the year					
Date	Reason				
17-08-2018	Buy	20000	0.160	20000	0.161
07-09-2018	Buy	5220	0.042	25220	0.203
14-09-2018	Buy	17087	0.137	42307	0.34

21-09-2018	Buy	7700	0.061	50007	0.402
05-10-2018	Buy	15430	0.124	65437	0.526
12-10-2018	Buy	12413	0.099	77850	0.626
19-10-2018	Buy	7439	0.059	85289	0.685
26-10-2018	Buy	9818	0.078	95107	0.764
At the End of the year		95107	0.764	95107	0.764
5. YATIN GUPTA					
At the beginning of the year		72032	0.579	72032	0.579
Changes during the year					
Date	Reason				
17-08-2018	Buy	20000	0.161	20000	0.161
14-09-2018	Buy	1385	0.011	21385	0.172
05-10-2018	Buy	3660	0.029	25045	0.201
30-11-2018	Buy	1000	0.008	26045	0.209
07-12-2018	Buy	1500	0.012	27545	0.221
14-12-2018	Buy	2583	0.021	30128	0.242
21-12-2018	Buy	1234	0.009	31362	0.252
28-12-2018	Buy	14466	0.116	45828	0.368
04-01-2019	Buy	7999	0.064	53827	0.433
11-01-2019	Buy	5751	0.046	59578	0.479
18-01-2019	Buy	10561	0.085	70139	0.564
25-01-2019	Buy	2000	0.016	72139	0.58
01-02-2019	Buy	13086	0.105	85225	0.685
08-02-2019	Buy	1385	0.011	86610	0.696
15-02-2019	Buy	5297	0.042	91907	0.739
At the End of the year		91907	0.739	91907	0.739
6. KARVY STOCK BROKING LIMITED					
At the beginning of the year		94518	0.76	94518	0.76
Changes during the year					
Date	Reason				
06-04-2018	Sold	-540	-0.004	93978	0.755
13-04-2018	Buy	466	0.004	94444	0.759
20-04-2018	Sold	-309	-0.002	94135	0.757
27-04-2018	Buy	3294	0.026	97429	0.783
04-05-2018	Sold	-2150	-0.017	95279	0.766
11-05-2018	Buy	106	0.001	95385	0.767
18-05-2018	Sold	-100	-0.001	95285	0.766
25-05-2018	Buy	1000	0.008	96285	0.774
01-06-2018	Sold	-1000	-0.008	95285	0.766
08-06-2018	Sold	-35	-0.001	95250	0.765
22-06-2018	Sold	-140	-0.001	95110	0.764
29-06-2018	Buy	1050	0.008	96160	0.773
06-07-2018	Buy	3435	0.028	99595	0.8

20-07-2018	Sold	-100	-0.001	99495	0.8
27-07-2018	Sold	-1389	-0.011	98106	0.788
03-08-2018	Buy	300	0.002	98406	0.791
10-08-2018	Sold	-445	-0.004	97961	0.787
17-08-2018	Buy	80	0.001	98041	0.788
24-08-2018	Sold	-1500	-0.012	96541	0.776
31-08-2018	Sold	-1620	-0.013	94921	0.763
07-09-2018	Buy	40	0.001	94961	0.763
14-09-2018	Sold	-1044	-0.008	93917	0.755
21-09-2018	Sold	-608	-0.005	93309	0.75
28-09-2018	Sold	-58	-0.001	93251	0.749
05-10-2018	Sold	-64	-0.001	93187	0.749
12-10-2018	Sold	-36	-0.001	93151	0.749
19-10-2018	Sold	-55	-0.001	93096	0.748
26-10-2018	Buy	25	0.001	93121	0.748
02-11-2018	Sold	-25	-0.001	93096	0.748
16-11-2018	Sold	-100	-0.001	92996	0.747
14-12-2018	Sold	-100	-0.001	92896	0.747
04-01-2019	Buy	150	0.001	93046	0.748
11-01-2019	Sold	-150	-0.001	92896	0.747
18-01-2019	Buy	12	0.000	92908	0.747
15-02-2019	Buy	556	0.004	93464	0.751
22-02-2019	Sold	-706	-0.006	92758	0.745
01-03-2019	Sold	-864	-0.007	91894	0.739
08-03-2019	Sold	-625	-0.005	91269	0.733
15-03-2019	Sold	-1241	-0.009	90028	0.724
29-03-2019	Buy	818	0.006	90846	0.73
At the End of the year		90846		90846	0.73
7. RELIGARE BROKING LIMITED					
At the beginning of the year		45857	0.369	45857	0.369
Changes during the year					
Date	Reason				
29-06-2018	Buy	110	0.001	110	0.001
27-07-2018	Buy	70	0.001	180	0.001
10-08-2018	Buy	10630	0.085	10810	0.087
24-08-2018	Sold	-10570	-0.085	240	0.002
31-08-2018	Buy	660	0.005	900	0.007
07-09-2018	Sold	-670	-0.005	230	0.002
28-09-2018	Buy	2970	0.024	3200	0.026
12-10-2018	Sold	-3197	-0.026	3	0
19-10-2018	Buy	497	0.004	500	0.004
02-11-2018	Buy	51597	0.415	52097	0.419
09-11-2018	Buy	386	0.003	52483	0.422

16-11-2018	Sold	-772	-0.006	51711	0.416
23-11-2018	Sold	-686	-0.006	51025	0.41
30-11-2018	Buy	3392	0.027	54417	0.437
07-12-2018	Sold	-3046	-0.024	51371	0.413
14-12-2018	Buy	500	0.004	51871	0.417
21-12-2018	Sold	-845	-0.007	51026	0.41
28-12-2018	Buy	974	0.008	52000	0.418
04-01-2019	Sold	-500	-0.004	51500	0.414
18-01-2019	Sold	-500	-0.004	51000	0.41
01-02-2019	Buy	695	0.006	51695	0.415
08-02-2019	Buy	900	0.007	52595	0.423
15-02-2019	Buy	1505	0.012	54100	0.435
22-02-2019	Buy	566	0.005	54666	0.439
01-03-2019	Sold	-199	-0.002	54467	0.438
08-03-2019	Buy	99	0.001	54566	0.439
15-03-2019	Buy	190	0.002	54756	0.44
22-03-2019	Buy	1351	0.012	56107	0.451
29-03-2019	Sold	-267	-0.002	55840	0.449
At the End of the year		55840		55840	0.449
8. CHIRAG SHANTILAL SHAH					
At the beginning of the year		67500	0.542	0	0
Changes during the year					
Date	Reason				
14-09-2018	Sold	-7500	-0.060	60000	0.482
15-03-2019	Sold	-7648	-0.061	52352	0.421
At the End of the year		50000	0.402	52352	0.4212
9. PRANAV SATISH DOSHI					
At the beginning of the year		48000	0.386	0	0
Changes during the year	No Change				
At the End of the year		48000	0.386	48000	0.386
10. MAHESH N AVLANI AND OTHERS HUF					
At the beginning of the year		0	0	0	0
Changes during the year					
Date	Reason				
29-06-2018	Buy	4000	0.032	4000	0.032
06-07-2018	Buy	3000	0.024	7000	0.056
13-07-2018	Buy	18249	0.147	25249	0.203
10-08-2018	Buy	75	0.001	25324	0.204
17-08-2018	Buy	10000	0.080	35324	0.284
19-10-2018		10600	0.085	45924	0.369
At the End of the year		45924	0.369	45924	0.369

(v) Shareholding of Directors and Key Managerial Personnel:

		Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the Year (As on 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year		149653	1.20	149653	1.20
Changes during the year		No Change During the year			
At the End of the year		149653	1.20	149653	1.20
Mrs. Diksha Yuvraj Malhotra (Director)					
At the beginning of the year		346975	2.789	346975	2.789
Changes during the year		No Change During the year			
Date	Reason				
15-03-2019	Buy	43000	3.134	389975	3.134
22-03-2019	Buy	4000	3.166	393975	3.166
At the End of the year		393975	3.166	393975	3.166
Mr. Harmohindar Singh Dhingra (Director)					
At the beginning of the year		1250	0.00	1250	0.00
Changes during the year		No Change During the year			
At the End of the year		1250	0.00	1250	0.00
Mr. Rajiv Sushil Verma (Director)					
At the beginning of the year		0	0	0	0
Changes during the year		No Change During the year			
At the End of the year		0	0	0	0
Mr. Sanjay Suresh Jain (Director)					
At the beginning of the year		0	0	0	0
Changes during the year		No Change During the year			
At the End of the year		0	0	0	0
Ms. Yashika Malhotra (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
Mr. Saurabh Johri (CEO)					
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. Labdhi 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. Sajan Mahesh Motwani ###					
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. Sajan Mahesh Motwani has resigned as Company Secretary w.e.f. 12.11.2018

Ms. Labdhi Shah has been appointed as Company Secretary w.e.f. 31.01.2019

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

(In Lakhs)

	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
	excluding deposits			
Indebtedness at the beginning of the financial year i.e. 1st April, 2018				
i) Principal Amount	3230.28	299.60	NIL	3529.88
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	3230.28	299.60	NIL	3529.88
Change in Indebtedness during the financial year				
• Addition	636.62	25.13	NIL	661.75
• Reduction	NIL	NIL	NIL	NIL
Net Change	636.62	25.13	NIL	661.75
Indebtedness at the end of the financial year i.e. 31st March, 2019				
i) Principal Amount	3866.90	324.73	NIL	4191.63
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	3866.90	324.73	NIL	4191.63

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other directors:

Particulars of Remuneration	Total Amount			
	Mr. Harmohindar Singh Dhingra	Mr. Rajiv Sushil Verma	Mr. Sanjay Suresh Jain	Mr. Sukesh Kumar Joshi
• Fee for attending board / committee meetings	30000	-	-	35000
• Commission		-	-	-
• Others	-	-	-	-
Total (1)	30,000		-	35,000
Other Non-Executive Directors	Mr. Joseph William Mckay	Total Amount (In Rs.)		
• Fee for attending board / committee meetings	-	65,000/-		
• Commission	-	-		
• Others	-	-		
Total (2)	-	-		
Total (B)=(1+2)		65,000		
Total Managerial Remuneration (A+B)		1,14,65,000		
Overall Ceiling as per the Act		NA**		

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

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

(In Rs.)

Particulars of Remuneration	Key Managerial Personnel			Total Amount	
	Mr. Sajan Mahesh Motwani (Company Secretary)*	Ms. Yashika Malhotra (CFO)	Ms. Labdhi Shah (Company Secretary)**		
Gross salary	-		-		-
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,44,600		12,00,000	35000	1379600
(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	144,600		12,00,000	35000	1379600

* Mr. Sajan Motwani has been appointed as Company Secretary w.e.f. 29.03.2018 and tendered his resignation w.e.f. 12.11.2018

**Ms.Labdhi Shah is appointed as Company Secretary w.e.f.31.01.2019

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

7.1 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.

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

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]**

**The Members,
HILTON METAL FORGING LIMITED
701, Palm Spring, Link Road,
Mumbai-400064**

I have conducted the secretarial audit of the compliance of applicable statutory provisions under the Companies Act, 2013, regulations laid down by the Securities and Exchange Board of India (SEBI), Foreign Exchange Regulations and other applicable laws listed hereinbelow and the adherence to good corporate practices by HILTON METAL FORGING LIMITED (hereinafter called the "Company") for the audit period covering the financial year ended on 31st March 2019. 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 2019, 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 and made available to me at its Registered office for the financial year ended on 31st March 2019, 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, 1996 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (effective from 3rd October, 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, 1998;
 - (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 Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

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 March 2019 within the due date as prescribed under Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
2. Non-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 within the prescribed time limits under Section 124 of the Companies Act, 2013 read with rules framed thereunder (since complied); and
3. convening the Audit Committee Meeting on 12th November, 2018 with the presence of only one independent director as against the requirements of atleast two independent directors as prescribed under Regulation 18(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per the minutes of the meeting duly recorded and signed by the Chairman, all the decisions of the Board were unanimous and no dissenting views have been recorded.

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 except cancellation of the approved issue of 2,00,000 6% Optionally Convertible Debentures to Balu Forge Private Limited on preferential basis aggregating to Rs. 20,00,00,000 (Rupees twenty crores) due to the non receipt of money from the proposed investor within the prescribed time.

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

Date: 10th August, 2019

Place: Mumbai

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

701, Palm Spring, Link Road,

Mumbai-400064

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.
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.

SHREYA SHAH

Practising Company Secretary

Mem No. A39409/CoP: 15859

Date: 10th August, 2019

Place: Mumbai

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 2018-19, 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 2018-19	% increase in Remuneration in the financial year 2018-19	Ratio of the remuneration of each director to the median remuneration of the employees
1	Mr. Yuvraj Hiralal Malhotra (Managing Director)	60,00,000	0%	52.63
2	Mr. Navraj Hiralal Malhotra (Whole Time Director)	24,00,000	0%	21.05
3	Mrs. Diksha Yuvraj Malhotra (Director)	30,00,000	0%	26.32
4	Mr. Harmohindar Singh Dhingra [^] (Independent Director)	30000 (sitting fees)	-	-
5	Mr. Rajiv Sushil Verma [^] (Independent Director)	-	-	-
6	Mr. Sanjay Suresh Jain [^] (Independent Director)	-	-	-
7	Mr. Sukesh Kumar Joshi [^] @ (Independent Director)	35000 (sitting fees)	-	-
8	Mr. Saurabh Johri (Chief Executive Officer)	2380000	-	-
9	Mr. Sajan Mahesh Motwani# (Company Secretary)	203582	-	-
11	Ms. Labdhi Shah* (Company Secretary)	35000	-	-
12	Ms. Yashika Yuvraj Malhotra (Chief Financial Officer)	1200000	-	-

[^]None of the Independent Directors are in receipt of remuneration.

Mr. Sajan Motwani was appointed as Company Secretary w.e.f.29.03.2018 and has tendered his resignation w.e.f. 12.11.2018

*Ms. Labdhi Shah is appointed as Company Secretary w.e.f. 31.01.2019

@Mr. Sukesh Kumar Joshi is appointed as Independent Director w.e.f. 08.06.2018

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

The % increase in median remuneration of employee is 5.31 %.

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

79 employees as on the rolls of Company as on 31st March, 2019

- 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. 2018-19

Average percentile increase in managerial remuneration in F.Y. 2018-19

Justification

5.31 %

Nil

Note: Company Secretary Labdhi Shah is appointed in the financial year 2018-2019 w.e.f. 31.01.2019

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 March 31, 2019 is as per Remuneration policy of the Company.

For and on behalf of the Board of Directors

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

**Place: Mumbai
Dated: 11-08-2019**

Management Discussion and Analysis (MDA)**GLOBAL ECONOMY**

Early 2018, the globe witnessed fastest and most synchronised growth since 2008/09 global financial crisis. Since then, the deepening of the trade conflict between the US and China, and challenges in Europe and slow-growing emerging markets have transformed sentiment among businesses and policymakers.

However, slower growth in 2019 in each of the crucial markets of the US, China and the Eurozone is to be expected. The US benefited from a one-off tax cut in 2018. The Chinese government continues to cool its economy very gradually, while the Eurozone is correcting after a couple of years of above trend growth in 2016-17. That these three economies have cooled simultaneously has been alarming, but fundamentals remain relatively strong. One point of caution: if conditions deteriorated suddenly, central banks would find it difficult to deliver the sort of boost they were able to supply in 2008/09. For businesses, some solid operating conditions are undercut with appreciable downside risk.

The global economy enjoyed a mini-boom between the end of 2016 and early 2018, when growth picked up in most major economies. This phase is now over, and in 2019 one can expect the G7 economies to return to growth rates close to their long-run averages. In the US, the boost from fiscal stimulus is likely to fade, higher interest rates may dampen consumer spending and a strong dollar could continue to drag on net exports. Moderate growth from an estimated 2.8% in 2018 is expected to remain around 2.3% in 2019. In the Euro zone uncertainty relating to global trade tensions and Brexit will take a toll, while the European Central Bank is likely to offer less support to growth as its quantitative easing policy ends. Growth in China is also expected to slow relative to 2018. Although the government will try to ensure that the slowdown is minimal, the impact of US tariffs and the need to control debt levels are likely to result in at least a modest deceleration in growth in 2019. Emerging market currencies could come under periodic pressure from a strong US dollar, but this effect is likely to lessen later in the year, when we believe it will become more evident that the US economy is slowing.

INDIAN ECONOMY

International Monetary Fund (IMF) has pared India's growth forecast for the just-concluded fiscal and the next two years, citing softer recent growth and weaker global outlook, but expects the country to retain its place as the fastest growing major economy.

According to IMF estimates, India's economy grew 7.1% in FY19 and is expected to accelerate to 7.3% growth this fiscal and to 7.5% in FY21. All the estimates are 0.2 percentage points less than its previous assessment in January. The IMF numbers are higher than those of the Reserve Bank of India, which had last week cut its growth forecast to 7.2% for this fiscal and 7.4% for FY21.

In its flagship World Economic Outlook (WEO) released on recently in Washington, IMF said the reduction in India's estimate is on account of the "the recent revision to the national account statistics that indicated somewhat softer underlying momentum". It has suggested reforms to hiring and dismissal regulations to help incentives job creation and absorb the country's large demographic dividend.

According to India's official estimates, Indian economy grew 7% in FY19, slowest in the last five years. IMF expects growth to recover in the current fiscal and the next. "In India, growth is projected to pick up to 7.3% in 2019 and 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy," the WEO noted.

Over the medium term, the multilateral institution expects growth to stabilise at just under 7.75%, based on continued implementation of structural reforms and easing of infrastructure bottlenecks. It expects inflation to remain below the Reserve Bank of India's threshold of 4% in the current fiscal at 3.9% and marginally exceed at 4.2% next year. Current account deficit is seen at around 2.5% of GDP.

"The outlook for many countries is very challenging, with considerable uncertain short term, especially as advanced economy growth rates converge toward their modest long-term potential," IMF's economic counsellor Gita Gopinath said. Global growth is forecast to slow to 3.3% in 2019 from 3.6% in 2018 with a downside risk due to trade tensions and chaotic Brexit. China is forecast to grow 6.3% in 2019 and 6.1% in 2020.

\$3-TRILLION ECONOMY

Could India end the current fiscal a \$3trillion economy? According to IMF's October 2018 data, FY20 GDP is seen at \$2.958 trillion, adjusting for revisions it should be slightly short. However, India's own assessment presented in the budget sees GDP at Rs 210 trillion, which translates to slightly more than \$3 trillion.

INDUSTRY OVERVIEW

The global metal forging market size was valued at USD 78.60 billion in 2018 and is expected to witness a CAGR of 7.6% from 2019 to 2025. Aerospace industry is one of the key growth drivers boosting the product demand. Increasing production of aircraft coupled with growing passenger traffic are projected to assist the growth.

Several changes and innovations have been observed in the metal forgings industry. The use of materials such as aluminum and titanium is becoming more common in medical device and aerospace industries as their inclusion helps decrease weight and achieve performance optimization. Titanium is anticipated to witness significant demand on account of increasing production of aircraft components using forging process.

Factors such as adoption of new materials including high performance and special alloys and R&D for new manufacturing methods are expected to boost the growth of this sector. In addition, methods such as precision die forging are helpful in producing complex parts. Closer dimensional tolerances and detailed geometric features of precision die forging make it suitable for manufacturing critical components of aircraft.

Construction industry requires different types of machinery and equipment, which consists of forged parts such as rollers, levers, and shafts. Construction equipment manufacturers procure different types of forged components in assemblies. Growth in construction industry is a major factor driving the demand for construction equipment, thereby fueling the utilization of forged parts.

Segment Overview

Diverse Usage Of Forgings In Oil & Gas And Aerospace Sector To Power The Forging Market In The Years To Come

“Automotive sector relies on the forged metal elements for the making of high-pressure valves, valve bodies, flanges, and fittings. Hence, the development of forging market is directly related to the development of the automotive industry,” In addition to this, forgings find its diverse usage in oil & gas and aerospace sector. This is likely to tower the forging market in the years to come. On the other hand, accessibility of optional metal forming procedure might hinder the forging market in the years to come.

Various product launches by the market players is also one of the major reasons responsible for the development of the forging market. For example, in June 2017, MTI (Metal Technology) managed to launch production-readiness on a state-of-the-art & new forging line at its manufacturing plant in Albany, Ore.

Sharp Development In The Automotive Industry In China And India To Positively Affect The Forging Market In Asia Pacific

The forging market is divided as open die, rolled rings, and impression die based on product section. Impression die ruled the global forging market with more than 60% share in the global forging market in 2015. On the other hand, rolled ring die division is likely to see quickest CAGR growth in the years to come due to its increasing requirement in aviation, automotive, and oil & gas sector, consequently driving the forging market. Aerospace sector ruled the requirement in North America for rolled rings forging market. Asia Pacific in 2015 grabbed the forging market and is inclined to attain limelight in the years to come. Sharp development in the automotive industry in China and India is claimed to positively affect the forging market in this area. India is believed as the most important region for forging market. Some of the major reasons such as tie-ups with the potent automakers and government programs for outsourcing their forged elements add to the development of forging market in this area.

As per the analysts at Zion Market Research, the global forging market was capitalized at USD 57.42 Billion in 2015 and is anticipated to cross USD 86.90 Billion in 2021, developing at a CAGR of 7.2% from 2016 to 2021.

Improving economic conditions: The growth of this market is associated with the economic and market conditions across the globe. Forging companies have developed lean, resilient, flexible, and adaptable operations to sustain the market competition. There is significant growth in end user industries such as aerospace, oil & gas, shipbuilding, construction equipment, and others. This has created high demand for closed die forged components among low cost manufacturing countries such as China and India. The impact of this factor is high in developed countries and is expected to have an impact on the markets in the developing countries in the near future.

Innovation in equipment and process: There has been an increase in demand for complex and innovative products in the fast developing end user market. Equipment suppliers have focused on developing new products with automated closed die forging process. These new machines have the capability to forge extra-large nickel- and titanium-based alloy parts for commercial aerospace applications. The impact of automation on the growth of the global impression die forging market is moderate in the present scenario, but is expected to increase during the forecast period.

Growth in end user industries: The key end user industries in the market include oil & gas, aerospace, shipbuilding, defense, and others. Increase in investments in these industries is expected to propel the demand for forged components. For instance, heavy investment in the oil & gas sector is expected to boost the demand for forged products such as drill heads and gas lift mandrels.

Increasing input costs: The impression die forging market operates under highly challenging market conditions due to volatile material prices and decreasing profit margins. Small- and medium-sized organizations that face difficulty in dealing with surge in prices of crude oil and metal, operate in this segment. However, dearth of skilled manpower could limit the market growth

Company overview:

In order to meet the competitive challenges of the future and achieve its vision, HMFL must fortify itself in several critical areas: technology development and application; energy and the environment; and human resources.

Specific areas in which technological issues need to be addressed include materials, die design and modeling, lubrication, process modeling and optimization software, process controls and sensors, real-time preventative maintenance, and primary and secondary processing equipment.

HMFL have 16 ton Hammer as one of the forging machinery is capable of producing a piece of 750 KG forging. The said hammer is very ideal for different kind of Railway wheels. To strengthen the quality we will be installing state of art heat treatment plant for which sufficient place is available at same location

Beside the above HMFL has taken measures to:

Tooling--Increase die life by at least 2 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 to 15%. 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.

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

(Rs. In Lakhs)

Particulars	Year Ended March 2018	Year Ended March 2017
Total revenue	10133.36	9630.75
Less: Operating Expenses & Provision	9392.68	8957.46
Profit before Interest, Depreciation & Taxes	740.68	673.29
Less: Depreciation	256.51	276.10
Less: Interest & finance Charges	335.89	308.72
Profit before Tax	148.28	88.47
Less: Provision for Taxation	-6.77	61.26

Profit After Tax	155.05	27.21
Other Comprehensive Income	0.13	15.89
Total Comprehensive Income for the Year	0.13	43.10
Balance Brought forward	799.59	772.38
Balance Available for Appropriation	954.75	799.59
Appropriation :		
Proposed Dividend for the Financial year	-	-
Corporate Dividend Tax	-	-
Transferred to General Reserves	-	-
Surplus retained in Profit & Loss account	954.75	799.59

During the year under review, the total revenue of the company was Rs10133.36 Lacs as compared to Rs. 9360.75 Lacs during the previous year amounting to an increase of 4.46 %, the PAT was Rs. 155.05 as compared to last year of Rs.27.21 Lacs Company's performance for the year under the review year was improved considerably.

11. Human Resource Management

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 resources 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.

12. 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.

13. 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

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

Place: Mumbai
Dated: 11-08-2019

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 is stated below:

Sr. No	Name	Designation/ Category of Directors
1	Mr. Yuvraj Malhotra	Chairman & Managing Director (Promoter)
2	Mr. Navraj Malhotra	Whole Time Director (Promoter)
3	Mr. Sanjay Jain	Independent Non-Executive Director
4	Mr. Sukesh Kumar Joshi*	Independent Non-Executive Director
5	Mr. Rajiv Sushil Verma	Independent Non-Executive Director
6	Mrs. Diksha Yuvraj Malhotra	Executive Director (Promoter)
7	Mr. Sandeep Ravindra Shah**	Independent Non-Executive Director
8	Mr. Prithivish Sushil Mundra***	Independent Non-Executive Director
9	Ms. Nikita Natwarlal Moardia****	Independent Non-Executive Director

* Mr. Sukesh Kumar Joshi is appointed on 8th June, 2018

**Mr. Sandeep Ravindra Shah is appointed on 15th May, 2019

***Mr. Prithivish Sushil Mundra is appointed on 5th August, 2019

****Ms. Nikita Natwarlal Moradia is appointed on 6th August, 2019

2.2 Board Meetings, Attendance and other details:

During the financial year under review, Seven Board Meetings were held at Mumbai on 30th May 2018, 10th August 2018, 24th August 2018, 31st August 2018, 17th October 2018, 12st November 2018, 8thFebruary, 2019. The maximum interval between any two meetings did not exceed 120 days as prescribed under the Act.

The name and category of the Directors on the Board, their attendance at the Board Meetings held during the FY 18-19 and at the last Annual General Meeting held on 28th September, 2018 and the number of directorships, Committee Memberships/Chairmanships held by them in other Indian Public Companies and their shareholding as on March 31, 2019 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 ²		No. of Equity Shares held
			No. of Board Meetings attended / held	Last A.G.M.		Chairman	Member	
Mr. Yuvraj Malhotra	00225156	Managing Director & Chairman	7/7	Y	1	Nil	2	5687334
Mr. Navraj Malhotra	00225183	Whole Time Director	7/7	Y	1	Nil	Nil	149653
Mr. Harmohindar Singh Dhingra	00037089	Independent Non-Executive Director	3/7	N	1	1	2	1250
Mr. Sanjay Jain	00152758	Independent Non-Executive Director	7/7	N	1	Nil	1	Nil
Mr. Sukesh Kumar Joshi	08153689	Independent Non-Executive Director	6/6	Y	1	1	0	Nil
Mr. Rajiv Sushil Verma	07486560	Independent Non-Executive Director	1/6	N	1	Nil	Nil	Nil
Mrs. Diksha Yuvraj Malhotra	01393249	Executive Director	7/7	Y	1	Nil	Nil	393975

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, Mr. Navraj Malhotra and Mrs. Diksha Yuvraj Malhotra, are related to each other. No other directors are related inter-se.
4. The Company has not issued or allotted any convertible instruments during FY 2018-19.

2.3. Meeting of Independent Directors and performance evaluation of Non-Independent Board

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 8th February 2019 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 Company undertakes and makes necessary provisions for an appropriate induction programme for new Directors and

ongoing training for existing Directors. The new directors are introduced to the Company's culture, through appropriate training programmes.

The details of familiarization programme of the independent Directors are available on the website of the Company: www.hiltonmetal.com

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 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. The Company has in place its own inhouse internal audit department to review the adequacy of internal audit function, including the structure of internal audit department, staff and seniority of official's heading the department, reporting structure, coverage and frequency of internal audit.
- m. 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.
- n. 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.
- o. Reviewing the Company's financial and risk management policies.
- p. To look into the reasons for substantial defaults in the payment to the depositors, debentures holders, 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 May 2018, 10th August 2018, 12th November, 2018 and 8th February, 2019.

The details on composition, names of the members, chairperson, category of Directors and no. of the meetings attended by the members during the FY 18-19 are as follows: -

Sr.No.	Names of Members	Designation	Category of Director	No. of Meetings Attended
1	Mr. Harmohindar Singh Dhingra*	Chairman	Independent Non-executive	3/4
2	Mr. Sanjay Jain	Member	Independent Non-executive	4/4
3	Mr. Yuvraj Malhotra	Member	Executive Director	4/4

* Mr. Harmohinder Singh Dhingra resigned on 16th May 2019

3.2 Nomination and Remuneration Committee:

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

3.2.1 Terms of reference

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

- To determine the remuneration package for any Executive Directors as well as remuneration payable to the non-executive Directors from the year to year.
- To help in determining the appropriate size, diversity and composition of the Board;
- To recommend to the Board appointment/reappointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and independence of Directors.
- To create an evaluation framework for Non-executive & Independent Directors and the Executive Board;
- 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 3 times during the year on 10th April 2018, 30th May 2018, 12th and 31st January 2019.

The details on composition, names of the members, chairperson, category of Directors and no. of the meetings attended by the members during the FY 18-19 are as follows: -

Sr. No	Names of Members	Designation	Category of Director	No. of Meeting Attended
1	Mr. Harmohinder Singh Dhingra*	Chairman	Independent Non-executive	2/2
2	Mr. Sanjay Jain	Member	Independent Non-executive	2/2
3	Mr. Sukesh Kumar Joshi**	Member	Independent Non-executive	1/1

* Mr. Harmohinder Singh Dhingra resigned on 16th May 2019

**Mr. Sukesh Kumar Joshi is appointed as on 8th June 2018

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 Companies Act, 2013 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.

3.2.6 Details of Remuneration paid to the Directors

Details of Remuneration paid to the Directors for the year ended 31st March, 2019 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 and Mr. Yuvraj Malhotra	6000000	NIL	NIL	6000000
Mr. Navraj Malhotra	Relative of Mr. Yuvraj Malhotra and Mrs. Diksha Malhotra	2400000	NIL	NIL	2400000
Mrs. Diksha Malhotra	Relative of Mr. Yuvraj Malhotra and Mr. Navraj Malhotra	3000000	NIL	NIL	3000000
Mr. Sukesh Kumar Joshi	None	N A	35000	N A	35000
Mr. Rajiv Sushil Verma	None	N A	NIL	N A	NIL
Mr. Harmohinder Singh Dhingra	None	N A	30000	N A	30000
Mr. Sanjay Jain	None	N A	NIL	N A	NIL

Notes:

- Sitting fees include payment of fees for attending Board/Committee Meetings
- 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.
- No provision of performance-linked variable pay for the FY 2018-19 is available to Managing Director, the Executive Director and the Whole-time Director.
- The Managing Director's, the Executive Director's and the Whole-time Director appointment may be terminated by 3 (three) months' notice in writing on either side and no severance fees is payable to them.
- 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 your 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 Terms of reference

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

- Redress Shareholders and Investors complaints.
- Review all matters connected with the share transfers.
- Review status of legal cases involving the investors where the Company has been made a party.

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

3.3.2 Composition of the Committee

The details on composition, names of the members, chairperson and category of Directors during the FY 18-19 are as follows:

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

3.3.3 Details in respect of Compliance Officer:

Ms. Labdhi Shah, Company Secretary, who was appointed w.e.f. 31st January 2019, acts as the Compliance Officer of the Company, for complying with Listing Regulations.

3.3.4 Details of Investors Complaints received during F.Y. 2018-2019 are as follows:

Sr.No.	Nature of Complaints	Whether Received	No. of Complaints Redressed	Pending Complaints as on 31st March, 2019
1.	Non-Receipt of Shares lodged for transfer/transmission	0	0	0
2.	Non- Receipt of Duplicate Share certificate	0	0	0
3.	Non- Receipt of Annual Report	0	0	0

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
13th	28.09.2018	4.00 PM	701, Palm Spring, Link Road Malad West, Mumbai-400064	<ol style="list-style-type: none"> 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.
12th	28.09.2017	4.00 PM		<ol style="list-style-type: none"> 1. Fixation of remuneration of cost auditor for Financial Year 2018. 2. To appoint R. Jaitlia & Co, Statutory Auditor in place of retiring auditors R K Chaudhary & Associates, Chartered Accountants till 16th Annual General Meeting. 3. To adopt new set of articles of association
11th	28.09.2016	4.00 PM		<ol style="list-style-type: none"> 1. Fixation of remuneration of cost auditor for Financial Year 2017. 2. To appoint Mr. Rajiv Sushil Malhotra as Independent Director of the Company for the term of five years

4.2 Extraordinary General Meeting

No Extraordinary General Meeting was held during the financial years 2015-2016 and 2016-17. 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	<ol style="list-style-type: none"> 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 ₹ 20,00,00,000/-

4.3 Postal Ballot

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

5) MEANS OF COMMUNICATION:

The Annual, Half Yearly and Quarterly Results were submitted to the Stock Exchange and published in Newspapers in accordance with the SEBI (Listing Regulations).

Company's Un-audited Quarterly Results for quarter ended June 2018, September 2018, December 2018 and March 2019 and Audited Financial Statements for the year ended 31st March 2019 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 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****Date: 28th September, 2019****Time: 4.00 P.M****Venue:** Whispering Palms Club House, Whispering Palms, Lokhandwala Town Ship, Kandivali east, Mumbai 400 101**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 2019-2020

First quarter:	June 30, 2019- on or before August 14, 2019
Second quarter/Half Yearly	September 30, 2019 - on or before November 14, 2019
Third quarter/Nine months	December 31, 2019 - on or before February 14, 2020
Fourth quarter/Annual	on or before May 30, 2020

6.5 Book Closure date

The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday 21st September 2019 to Saturday 28th September 2019 [Both days inclusive]

6.6 Dividend Payment

No dividend is to be declared for the financial year ended 31st March 2019.

6.7 Unclaimed Shares/Dividend

Pursuant to the provisions of Section 124 of the Act, 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. 1,11,320/- 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

The details of unpaid/unclaimed dividend for the year 2011-12 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	2011-12	29.09.2012	41,731	28-09-2019
2	2012-13	30.09.2013	59,404	28-09-2020
3	2013-14	27.09.2014	46,383	25-09-2021
4	2014-15	30.09.2015	68,632	28-09-2022
5	2015-16	-	No dividend declared	-
6	2016-17	-	No dividend declared	-
7	2017-18	-	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 18-19 (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

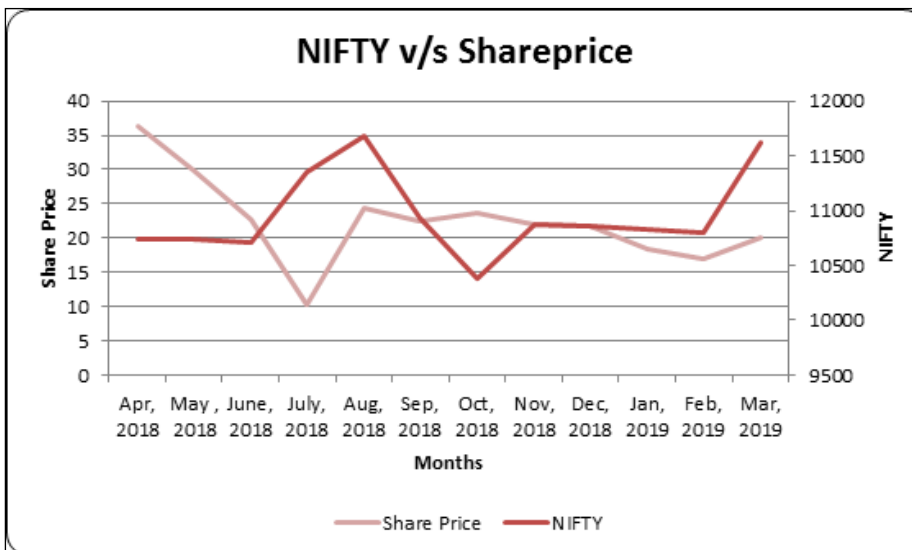
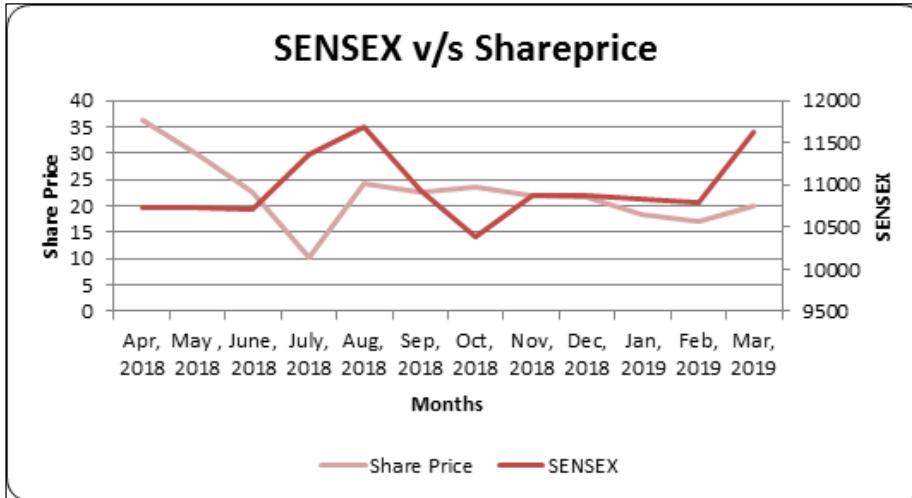
The Company has not issued GDRs / ADRs / Warrants.

6.9 Market Price data-High/Low during each month of FY 18-19

Market Price Data Month	Share prices of the Company for the Period April 2018 to March, 2019			
	BSE Ltd		The National Stock Exchange of India	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
Apr-18	42.00	27.50	42.70	27.00
May-18	37.10	29.35	37.50	29.65
Jun-18	30.70	21.15	30.45	21.00
Jul-18	25.75	19.10	13.15	9.80
Aug-18	32.20	21.15	32.10	21.05
Sep-18	26.25	21.50	26.50	20.90
Oct-18	27.00	20.75	27.50	20.80
Nov-18	23.40	21.10	23.40	21.10
Dec-18	43.20	34.00	23.65	19.75
Jan-19	22.45	18.15	22.90	18.15
Feb-19	18.50	14.25	19.60	14.30
Mar-19	24.70	17.25	24.85	17.00

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 2019 (based on month end closing):



6.11 Registrar & Share Transfer Agents:

SHAREX DYNAMIC (INDIA) PVT.LTD.

Unit No.1, Luthra Industrial Premises,
Andheri - Kurla Road, Safed Pool, Andheri(E),
Mumbai-400072
Tel: (022) 28515606 / 44 Fax: (022) 28512885

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

Contact Person: Mr. T. Sasikumar

6.12 Share Transfer System

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

6.13 Categories of Shareholding as on 31stMarch, 2019:

Categories	Number of Shares	%
(A) Shareholding of Promoter and Promoter Group		
Promoters	6236962	50.12
Total Shareholding of Promoter & Promoter Group (A)	6236962	50.12
(B) Public Shareholding		
(i) Institutions		
Banks / FI	71	0.00
Central Govt.	0	0
Total Public Institutions (B) (i)	71	0.00
(ii) Non Institutions		
Individuals	5284427	42.47
NRI	88352	0.71
Bodies Corporate	281062	2.26
Overseas Corporate Bodies		
	150000	
	1.21	
Clearing Members	88727	
	0.71	
Others IEPF/HUF/NBFC registered with RBI	313486	2.52
Total Public Non Institution (B) (ii)	6206054	49.88
Total Public Shareholding (B)=(B)(i)+(B)(ii)	6206054	49.88
Total Shareholding (A) + (B)	12443016	100

6.14 Top Ten equity shareholders of the Company as on March 31, 2019 (other than Promoters)

Sr. No.	Name of Shareholders	No of equity Shares held	Percentage of holding
1	Subramanian P	376270	3.024
2	Deepak Gupta	222560	1.789
3	Evenort Ltd	150000	1.205
4	Pradeep Prabhakar Rao	95107	0.764
5	Yatin Gupta	91907	0.739
6	Karvy Stock Broking Ltd	90846	0.73
7	Religare Broking Limited	55840	0.449
8	Chirag Shantilal Shah	52352	0.421
9	Pranav Satish Doshi	48000	0.386
10	Mahesh N Avlani and Others HUF	45924	0.369

6.15 Distribution of Shareholding as on 31stMarch, 2019:

No. of equity Shares held	Shareholders		Total Shares	
	Number	% of Total	Shares	% of Total
1-100	3368	40.408	194906	1.566
101-200	1382	16.581	242732	1.951
201-500	1813	21.752	670316	5.387
501-1000	890	10.678	726932	5.842
1001-5000	725	8.698	1578767	12.688
5001-10000	98	1.176	702652	5.647
10001-100000	53	0.636	1346919	10.825
100001 and above	6	0.072	6979792	56.094
Total		100	12443016	100

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 March 31, 2019, 98.79% (1,22,93,011 Equity Shares) of the Company's equity shares were held in dematerialized form. The equity shares held by the promoter & promoter group in the Company have been fully dematerialized.

6.17 Reconciliation of Share Capital Audit:

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

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

The Company has not issued any GDRs / ADRs / Warrants in the past but the company had issued convertible instruments during the financial year but the same could not be allotted and hence as on March 31, 2019, 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.

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

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 website www.hiltonmetal.com

7.2. Strictures and Penalties

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

7.3 Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and sub section (10) of the Companies Act, 2013, and in terms of Regulation 22 read with Regulation 4(2)(d)(iv) of 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 SEBI (Listing Regulation), 2015, to the extent applicable to the company.

7.5 Code for prevention of Insider-Trading Practices

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

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

7.6 Compliance with Mandatory and Non-Mandatory Requirements

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.

7.7 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.

8) REVIEW OF DIRECTORS RESPONSIBILITY STATEMENT

The Board in its Report has confirmed that annual accounts for the year ended 31st March 2019 have been prepared as per Indian Accounting Standard (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

8) COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from the Statutory auditors confirming compliance with the conditions of Corporate Governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, is attached and forms part of the Annual Report.

9) CEO / CFO Certificate:

As required under Regulation 17 (8) of SEBI(LODR) Regulations, 2015, the CEO/ CFO Certificate for the FY 2018-19 signed by Mr. Saurabh Johri, CEO and Ms. Yashika Malhotra, Chief Financial Officer, is attached and forms part of the Annual Report.

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

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

I confirm that the Company has in respect of the year ended March 31, 2019, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For and on behalf of the Board of Directors

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

**Place: Mumbai
Dated: 11-08-2019**

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Hilton Metal Forging Limited

We have examined all the relevant records of Hilton Metal Forging Limited, for the purpose of certifying compliance of the conditions of the Corporate Governance under 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, 2019. 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, 2019.

**For M/s Anil Bansal & Associates.,
Chartered Accountants
Firm Registration Number: 100421W**

**Anil Bansal
Proprietor
M No: 043918**

**Date: 11-08-2019
Place: Mumbai**

Compliance Certificate

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

We, Mr. Saurabh Johri, Chief Executive Officer and Ms. Yashika Malhotra, 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, 2019 and that to the best of my knowledge and belief;
 - 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 applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting;
- d. 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
- e. We have indicated to the auditors and the Audit committee, significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

Date: 16th May 2019

Mr. Saurabh Johri

Ms. Yashika Malhotra

Place: Mumbai

Chief Executive Officer

Chief Financial Officer

Certificate of Non-Disqualification of Directors

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

To,

The Members of

HILTON METAL FORGING LIMITED,

CIN: L28900MH2005PLC154986

701, Palm Spring Link Road Mumbai-400064

I have examined the List of disqualified Directors published by the Ministry of Corporate Affairs ("MCA"); Declaration from all the Directors self-certifying their non-disqualification as on 1st April, 2019 as required under section 164 of the Companies Act, 2013 ("Act"); and Disclosure of Directors' concern/interests as on April 1, 2019 as required under section 184 of the Act (hereinafter referred as "the relevant documents") of Hilton Metal Forging Limited, bearing Corporate Identification Number (CIN) - L28900MH2005PLC154986, having its registered office at 701, Palm Spring Link Road Mumbai-400064 (hereinafter referred as "the Company") for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause 10 (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated 9th May 2018 issued by SEBI.

Based on my examination as well as on information and explanations furnished provided by the officers, agents and authorised representatives of the Company, I hereby certify that none of the Directors of the Company stated below, who were on the Board of the Company as on 31st March 2019, have been debarred or disqualified from being appointed or continuing to act as Directors of the Company by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such other 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	Diksha Yuvraj Malhotra	01393249	25/03/2015
4	Rajiv Sushil Verma	07486560	07/04/2016
5	Sukesh Kumar Joshi	08153689	08/06/2018
6	Sanjay Jain	00152758	29/03/2006
7	Harmohindar Singh Dhingra	00037089	29/03/2006

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, 2019.

SHREYA SHAH

Practising Company Secretary

Mem No. A39409/CoP: 15859

Date: 10th August, 2019

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Hilton Metal Forging Limite
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, 2019, 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 2019, and its profit (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.

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 attention to followings notes to the financial statement:

Refer note no. 38 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.

The comparative financial information of the Company for the year ended March 31, 2018 prepared in accordance with Indian Accounting Standards, included in these Financial Statements, have been audited by the predecessor auditors. The report of the predecessor auditors on the comparative financial information dated May 30, 2018 expressed an unmodified opinion.

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 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, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, 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 – Refer Note 32 to the Financial Statements;
 - (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;
 - (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 Proprietor

Membership no.: 043918

Place: Mumbai

Date: 16th May, 2019

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 particulars, 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. In respect of immovable properties that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
 - 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 applicable to it with the appropriate authorities.
 - 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, 2019 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. The company has not raised any money by way of initial public offer and further public offer (including debt instruments) during the year. The term loan has applied for the business purpose.
- 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 noncash 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
Proprietor
Membership no. 043918
Place: Mumbai
Date: 16th May, 2019

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, 2019, 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 adequate internal 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 2019, 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 Proprietor
Membership no. 043918
Place: Mumbai
Date: 16th May, 2019

HILTON METALS FORGING LIMITED

Balance sheet as at 31st March 2019

Particulars	Notes	As at 31st March 2019 Rs. In Lacs	As at 1st March 2018 Rs. In Lacs
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,403.40	3,705.93
Capital work-in-progress	3	29.82	-
Investment property	4	87.28	-
Financial assets			
Investment	5	0.50	0.50
Trade receivables	6	421.01	252.28
Other Non-current Financial Assets	7	27.66	27.20
		3,969.67	3,985.91
Current assets			
Inventories	8	6,453.01	6,708.05
Financial assets			
Trade receivables	6	1,862.49	2,755.42
Cash and Cash Equivalents	9	7.60	22.92
Bank balances other than mentioned in Note 9	10	112.39	113.10
Other current Financial Assets	7	16.47	14.77
Other current Assets	11	1,039.76	605.96
		9,491.71	10,220.23
Total assets		13,461.38	14,206.13
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	12	1,244.30	1,244.30
Other Equity	13	4,877.79	4,699.49
Total Equity		6,122.09	5,943.79
Non-current liabilities			
Financial Liabilities			
Borrowings	14	1,080.28	960.60
Other financial liabilities	15	-	10.00
Provisions	16	70.85	64.03
Deferred tax liabilities (Net)	17	664.41	671.18
		1,815.54	1,705.81
Current liabilities			
Financial liabilities			
Borrowings	14	3,070.89	2,549.72
Trade Payables	18	1,651.53	3,836.05
Other financial liabilities	15	127.81	71.86
Provisions	16	6.30	12.96
Other current liabilities	19	635.65	67.28
Current Tax Liability	20	31.56	18.67
		5,523.74	6,556.53
Total		13,461.38	14,206.13

Significant accounting policies and Notes to the financial statements

2

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 and Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Proprietor
Membership no. 043918
Place : Mumbai
Date: 16/05/2019

Yashika Yuvraj Malhotra
Chief Financial Officer

Labdhi Shah
Company Secretary

HILTON METALS FORGING LIMITED
Statement of profit and loss for the year ended 31st March 2019

Particulars	Notes	As at 31st March 2019 Rs. In Lacs	As at 1st March 2018 Rs. In Lacs
Income			
Revenue from operations	21	10,046.85	9,618.26
Other Income	22	86.52	12.49
Total Revenue		10,133.36	9,630.75
Expenses:			
Cost of materials consumed	23	6,974.06	7,143.87
Change in inventories of finished goods and Working in Progress	24	452.67	(416.47)
Excise Duty		-	137.78
Employee benefit expenses	25	725.27	740.79
Depreciation & amortization expenses	26	256.51	276.10
Finance cost	27	335.89	308.72
Other expenses	28	1,240.69	1,351.50
Total expenses (II)		9,985.09	9,542.28
Profit/(loss) Before Tax		148.28	88.47
Tax expense:			
Current Tax		31.56	18.67
MAT entitelment		(31.56)	
Deferred tax		(6.77)	42.59
Total tax expenses		(6.77)	61.26
Profit/(loss) After Tax		155.05	27.21
Other comprehensive income:		1.54	0.28
i. Items that will not be reclassified to Statement of Profit and Loss		0.13	19.12
ii. Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	(3.23)
iii. Items that will be reclassified to Statement of Profit and Loss		-	-
Total comprehensive income for the year		0.13	15.89
Profit/(loss) transfer to balance sheet		155.17	43.10
Earnings per equity share of face value of ` 10 each	29		
Basic (in `)		1.25	0.22
Diluted (in `)		1.25	0.22

Significant accounting policies and Notes to the financial statements

2

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 and Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Proprietor
Membership no. 043918
Place : Mumbai
Date: 16/05/2019

Yashika Yuvraj Malhotra
Chief Financial Officer

Labdhi Shah
Company Secretary

HILTON METALS FORGING LIMITED

Statement of Cash Flows for the year ended 31 March, 2019

Particulars	Year ended 31 March, 2019 (Rs. In Lacs)	Year ended 31 March, 2018 (Rs. In Lacs)"
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	148.28	88.48
Adjustments for:		
Depreciation and amortization	256.51	276.10
Finance costs	335.89	308.72
Interest / Rent Income income	(44.38)	(12.42)
Dividend income	(0.04)	(0.08)
Employee benefit expenses	-	-
Public issue and pre-operative expenses written off	-	-
Operating profit / (loss) before working capital changes	696.25	660.80
Adjustments for working capital changes:		
Decrease/(increase) in inventories	255.04	(2,492.08)
Decrease/(increase) in trade receivables	724.20	(843.05)
Decrease/(increase in) in loans and other current assets	(435.95)	380.90
Increase/(decrease) in short term borrowings	521.18	177.11
Increase/(decrease) in trade payables	(2,184.52)	1814.24
Increase/(decrease) in loans, other financial assets & other assets	614.32	(6.70)
Increase/(decrease) in other financial liabilities and other liabilities		193.46
Increase/(decrease) in provisions	6.28	20.21
Cash generated from operations	199.82	(95.11)
Income tax paid	-6.77	-
Net cash flow from / (used in) operating activities	193.05	(95.10)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(40.30)	(300.50)
Proceeds from Disposal of Property, plant and equipment	3.00	-
Interest received	44.38	12.42
Dividend received	0.04	0.08
Net cash flow from / (used in) investing activities	7.12	(288.00)
C. Cash flow from financing activities		
Long term borrowing / repayment (net)		
Finance cost	119.68	680.56
Net cash flow from / (used in) financing activities	(335.89)	(308.72)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(16.03)	(11.26)
Cash and cash equivalents at the beginning of the year	136.02	147.28
Cash and cash equivalents at the end of the year	119.99	136.02
Components of Cash and cash equivalents with the Balance Sheet:		
(a) Cash on hand	6.67	5.94
With banks on current & other accounts	113.32	130.08
Total cash & bank equivalents	119.99	136.02

Notes:

- i) The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on 'Statement of Cash Flows'.
ii) Margin money kept in fixed deposit and has been taken under cash and cash equivalent in the cash flow statement.

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 and Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Proprietor
Membership no. 043918
Place : Mumbai
Date: 16/05/2019

Yashika Yuvraj Malhotra
Chief Financial Officer

Labdhi Shah
Company Secretary

Notes to the Financial Statement for the year ended March 31, 2019**Note No. 1 – Corporate Information:**

- a) Hilton Metal Forging Limited established in 2005 is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at 701 Palm Spring, Link Road, Malad West, Mumbai 400064, Maharashtra and plant at Ghonsai Village, Wada Taluka, Palghar Dist.
- b) The Company is primarily engaged in the business of manufacturing of iron and steel forging, recognized export house, presently catering to the needs of Oil and Gas, Refineries and pharmaceutical industries.

Note No. 2 - Statement of compliance:

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

Note No. 3 - Significant accounting policies:

- a) Basis of preparation of financial statements

The financial Statements have been prepared on an accrual basis under the historical cost conversion except for the following that are measured at fair value as required by the relevant Ind AS.

- A. Certain financial assets and liabilities (including derivative instruments)
- B. The defined benefit assets (liability) is recognised as the present value of defined benefit obligation less fair value of plan assets

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services. Fair value is the price that would be received to sell an assets or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

- i. The financial statements of the Company are prepared in accordance with and to comply in all material aspect with the Indian Accounting Standards (Ind AS).
- ii. The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lacs, except otherwise indicated.

Previous year's figures have been regrouped / reclassified wherever necessary to conform with the current year's classification / disclosures.

b) Use of estimates and judgments

- i. The preparation of the financial statements in conformity with Ind AS requires Management to make Judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses, disclosure of contingent liabilities as at the date of the financial statements Such assumptions are based on management's evaluation of relevant facts and circumstances as on date of financial statements. The actual out-come may diverge from these estimates.
- ii. Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period effect.

c) Property, plant and equipment

- i. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred.
- ii. Assets in the course of construction are capitalised in the assets under capital work in progress account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or

constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised.

- iii. On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment measured as per the Previous GAAP as at 1 April 2016 as its deemed cost on the date of transition.

d) Depreciation

- i. Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013. The management believes that the estimated useful lives are restrict and reflects fare approximation of the period were which the assets are likely to be used.
- ii. Depreciation on Property, plant and equipment is calculated on a straight –line basis, from the month of addition, using estimated useful lives, as specified in schedule II to the Companies Act 2013, except in respect of following assets:

Particulars	Useful life as per management (as technically assessed)	Useful life under schedule II of Companies Act, 2013
Buildings	Up to 60years	60years
Plant & Machinery	10 to 25 years	15 years
Vehicles	10 years	10 years
Furniture & Fixtures	10 to 13 years	10 years
Computer Software	3 to 6 years	3 to 6 years
Office Equipment	7 to 12 years	5 years

e) Borrowing costs

- i. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
- ii. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset .The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

f) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

g) Inventories

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost or net realizable value. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale. In continuation with the accounting policies followed last year, the Company has considered Dies and Moulds as part of Inventory as the consumable items and the same is amortised as done in the earlier financial years.

h) Revenue recognition**i) Sale of goods**

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the previous year ended 31st March, 2018 and for the period 1st April to 30 June, 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT) / Sales Tax. Excise Duty was reported as separate expense line item. Consequent to the introduction of Goods and Service Tax (GST) with effect from 1 July, 2017, VAT/Sales tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements' of Ind AS 18.

ii) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

iii) Income from Services

Income from services rendered is recognised based on the terms of the agreements as and when services are rendered and are net of applicable taxes.

i) Foreign currency transactions and foreign operations

The functional currency of the Company is the Indian Rupees (INR). These financial statements are presented in Indian Rupees.

Foreign currency transactions are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. All foreign currency monetary assets and monetary liabilities as at the Balance Sheet date are translated into the functional currency at the applicable exchange rate prevailing on that date. All the exchange differences arising on translation, are recognised in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Gain or losses upon settlement of foreign currency transactions are recognized in the Statement of Profit and Loss for the period in which the transaction is settled.

j) Employee benefits**Short term employee benefits:**

Short-term employee benefits are expensed as related service as provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contribution towards provident fund is made to the recognized funds, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on monthly basis.

Defined benefit plans:

Provision for incremental liability in respect of gratuity and leave encashment is made as per independent actuarial valuation on projected unit credit method made at the year-end.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expenses (income) on the defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit or loss.

k) Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss, except to the extent it relates to items directly recognized in equity or in other comprehensive income.

i) Current tax

Current tax is the amount of tax payable based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax ('MAT')

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

Current and deferred tax for the year: Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

l) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders.

m) Provisions and contingencies

The Company recognizes provisions when there is a present obligation (legal or constructive) as a result of a past event, that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liabilities is made where there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

A present obligation that arises from past events but is not recognized because:

- 1 It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- 2 The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period. Provisions for onerous contracts are

recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

n) Financial instruments

The company enters into foreign exchange forward contracts to manage its foreign exchange rate risk.

Derivatives are initially recognised at fair value at the end of each reporting period. The resulting gain or loss is recognized in statement of profit and loss immediately.

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

o) Financial assets

a) Recognition and Initial measurement

Financial assets are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value and transaction costs are expensed in the Statement of Profit and Loss.

b) Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (i) The entity's business model for managing the financial assets and
- (ii) The contractual cash flow characteristics of the financial asset.
- (c) Classification of financial assets
 - (i) Debt Instruments

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition)

- (a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- (b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to Statement of Profit and Loss. All other financial assets are subsequently measured at fair value.

p) Financial liabilities and equity instruments

i) Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

iii) **Financial liabilities**

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

1. Amortized Cost

Financial liabilities are classified as financial liabilities at amortised cost by default. Interest expenses calculated using effective interest rate method is recognised in the statement in profit and loss.

2. Financial liabilities at FVTPL

Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expenses on these liabilities are recognised in the statement of profit and loss

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations when, and only when, the Company's obligations are discharged, cancelled or have expired.

Note 3 - Property, Plant and Equipment

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	4/1/2018	Additions 1st half	Additions 2nd half	reduction during the year	3/31/2019	up to 1-4-2018	For the Year	as on 31-3-2019	as on 31-3-2019	3/31/2018
Land (See Note No XVI-B(3))	13759150	0	0		13759150	0	0	0	13759150	13759150
Building and Shed	71471670	0	0		71471670	22058586	1168490	23227076	48244594	49413084
Staff Quarters	10645940	0	0		10645940	3196529	195217	3391746	7254194	7449411
Plant and Machinery	444447271		0		444447271	164444892	18200607	182645499	261801772	280002379
Office Equipments	3523482	39453	0		3562935	1486854	511638	1998492	1564443	2036628
Designs & Drawings	67990	0	0		67990	46970	17621	64591	3399	21020
Electrical Installation	8805986	0	472000		9277986	4812706	823726	5636432	3641554	3933280
Computer System	4081250	21700	0		4102950	3219337	272487	3491824	611126	861913
Furniture & Fixtures	8626639	425000	0		9051639	5130938	574106	5705044	3346595	3495701
Vehicles	2242727	0	0	1569549	673178	1408189	-848280	559909	113269	834538
Total	567672105	486153	472000	1569549	567060710	205805002	20915612	226720613	340340096	361867104
WORK - IN PROGRESS				0		0	0	0	0	0
WIP Building	0		2981630	0	2981630	0	0	0	2981630	0
Total Assets	567672105	486153	3453630	1569549	570042340	205805002	20915612	226720613	343321726	361867104

HILTON METALS FORGING LIMITED

Notes to the Financial Statement for the year ended 31st March, 2019

Note 4- Investments Property

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Property held with investment	87.28	-
Total	87.28	-

Note 5- Non Current Investment

	As at 31st March 2019	As at 31st March 2018
	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 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Non-current		
Unsecured, considered good	421.01	252.28
Total	421.01	252.28
Current		
Unsecured, considered good	1,862.49	2,755.42
Total	1,862.49	2,755.42

Note 7 - Other Financial Assets

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Non-current		
Secured - Considered Good		
Security deposit	27.66	27.20
Total	27.66	27.20
Current		
Secured - Considered Good		
Security deposit	7.99	7.99
Interest accrued on fixed deposit	4.94	3.44
Loan to employees	3.53	3.34
Total	16.47	14.77

Note 8 - Inventories

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Raw Material (including Goods in Transit)	3,342.86	3,146.75
Semi Finished Goods	2,000.34	2,368.24
Finished Goods	36.46	112.62
Store, Spares & Consumables	34.24	39.12
Dies and Inserts	1,039.11	1,041.32
Total	6,453.01	6,708.05

Note 9 - Cash and Cash Equivalents

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Cash in hand	6.67	5.94
Balance with banks:		
On current accounts	0.92	16.98
Total	7.60	22.92

Note 10 - Bank balances other than mentioned in Note 9

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
<u>Other balance with banks</u>		
Unpaid dividend account	2.16	2.48
EEFC account	0.06	4.62
earmarked deposit accounts	110.17	106.00
Total	112.39	113.10

Note 11 - Other current Assets

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Balance with Statutory Authorities	527.39	584.17
Others advances	512.37	21.79
Total	1,039.76	605.96

Note 12 - Share Capital

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
a. Authorised Shares		
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 Shares	1,244.30	1,244.30

b. Reconciliation of number of shares outstanding

Equity Share Capital

Particular	As at 31st March 2019		As at 31st March 2018	
	No. of share	Rs. In Lacs	No. of share	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 2019		As at 31st March 2018	
	No. of share	% Holding	No. of share	% Holding
Name of the equity shareholder				
Yuvraj Hiralal Malhotra	5,687,334	45.71%	5,687,334	45.71%

Note 13 - Other equity

	As at 31st March 2019	As at 31st March 2018
	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	22.58	6.69
Add: Addition during the year	23.13	15.89
Closing balance	45.70	22.58
d) Surplus in the statement of profit and loss		
Balance as per the last financial statement	799.59	772.38
Add: Transfer during the year	155.17	27.21
Closing balance	954.75	799.59
Total	4,877.79	4,699.49

Note 14 - Borrowing

Particular	As at 31st March 2019		As at 31st March 2018	
	No. of share	Rs. In Lacs	No. of share	Rs. In Lacs
Secured Loans				
<u>Term loans*</u>				
Indian rupee loan from Banks	796.00	-	680.56	-
<u>Working capital loan**</u>				
From Banks [Rupee Loan]		3,070.89		2,549.72
Unsecured Loans				
Indian rupee loan from Banks	38.54	-	-	-
sales tax deferred	110.13		110.13	
Loan from Related Party (Refer Note 14.1)	176.06		189.47	
	1,120.74	3,070.89	980.16	2,549.72
Less: Amount disclosed under the head current liabilities (Note-15)	40.46		19.56	
Net amount	1,080.28	3,070.89	960.60	2,549.72

*a. 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 director.

**b. 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 director.

Note 14.1 - Loan from related parties

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Yuvraj Malhotra	84.98	100.91
Diksha Malhotra	77.93	78.91
Yashika Malhotra	13.15	9.65
Total	176.06	189.47

Note 15 - Other financial liabilities

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Non-current		
Deposits (Secured - Considered Good)	-	10.00
Total	-	10.00
Current		
Current Maturity	40.46	19.56
Interest accrued but not Due	4.65	4.22
Unpaid Dividend	2.16	2.48
Others	80.54	45.60
Total	127.81	71.86

Note 16 - Provision

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Non Current		
Provision for gratuity	63.40	57.24
Provision for leave entitlements	7.45	6.79
Total	70.85	64.03
Current		
Provision for gratuity	5.38	10.59
Provision for leave entitlements	0.92	2.36
Total	6.30	12.96

Note 17 - Deferred tax liabilities (Net)

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Deferred tax liabilities		
Related to fixed assets	664.41	671.18
Deferred tax liabilities (Net)*	664.41	671.18

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

Note 18 - Trade Payables

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Micro, Small & Medium Enterprises (Refer Note-29)	-	-
Others Payable	1,651.53	3,836.05
Total	1,651.53	3,836.05

Note 19 - Other Current Liabilities

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Statutory Dues	25.29	15.66
Advance from customers	329.89	22.62
Other Current liabilities*	280.47	28.99
Total	635.65	67.28

* Other Current Liabilities include Creditor for capital expenditure & expenses

Note 20 - Provisions

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Current Income Tax	31.56	18.67
Total	31.56	18.67

Note 21 -Revenue From Operation

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Revenue from operations		
Sale of products	9,799.10	9,444.45
Other Operating Revenues	247.74	173.81
Total revenue from operations	10,046.85	9,618.26

Note 22 - Other Income

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Dividend	0.04	0.08
Discount Received	42.09	-
Interest on FDR	13.03	12.42
Rent Income	31.35	-
Total	86.52	12.49

Note 23 - Cost of material and consumed

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Opening Stock	3,177.28	1,143.45
Add: Purchases (Including stores) *	7,173.88	9,177.70
	10,351.16	10,321.15
Less: Closing Stock (including stores)	(3,377.09)	(3,177.28)
Total	6,974.06	7,143.87

* including of purchase of traded goods 1587.27 1072.24

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

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Closing stock of finished goods	36.46	112.62
Closing stock of Semi-finished goods	2,000.34	2,376.85
	2,036.80	2,489.47
Less: Opening stock of finished goods	112.62	84.96
Opening stock of Semi- finished goods	2,376.85	1,988.03
	2,489.47	2,072.99
Total	452.67	(416.47)

Note 25 - Employee benefit expenses

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Salaries, wages and bonus	681.85	683.02
Contribution to provident and other funds	22.77	37.19
Staff welfare expenses	20.65	20.58
Total	725.27	740.79

Note 26 - Depreciation and amortization expense

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Depreciation on tangible assets	218.84	218.43
Dies amortize cost	37.67	57.67
Total	256.51	276.10

Note 27 - Finance Cost

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Interest on Borrowing	292.71	247.95
Other	43.18	60.76
Total	335.89	308.72

Note 28 - Other expenses

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Manufacturing expenses		
Power and fuel	488.72	503.28
Factory General Expenses	136.00	152.77
Labour Charges	8.16	20.15
Water Charges	7.37	7.60
Machinery Repairs & Maintenance	64.97	95.06
	705.23	778.86
Sales & Administration Expenses		
Advertisement & Sales Promotion Expenses	39.13	4.65
Commuation Cost	5.10	6.95
Rent, Rates & Taxes	22.38	18.66
Traveling & Conveyance	55.91	53.33
Printing and Stationery	1.48	0.97
Freight & Forwarding Charges	153.63	147.06
Exchange Difference	(23.47)	(1.99)
Packing Material Consumed	38.62	46.48
Legal & Professional Charges	56.26	46.86
Auditors Remuneration	7.50	4.50
General expenses	178.92	245.18
	535.46	572.64
Total	1,240.69	1,351.50
Payment to Auditor		
Audit fee	7.50	4.50
	7.50	4.50

Note 29 - Basic earnings per shares

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Profit after tax (Rs. In Lacs)	155.05	27.21
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.)	1.25	0.22

Note 30 - Related Party Disclosure (as certified by Management)

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

Name of Related Party	Designation	Relationship
Yuvraj Malhotra	Chairman and Managing Director (CMD)	
Navraj Malhotra	Whole time Director	
Diksha Malhotra	Director	Key Management Personnel
Sajan Motwani (up to 12-11-2018)	Company Secretary	
Miss Labdhi Shah (w.e.f. 31-01-2019)	Company Secretary	
Yashika Yuvraj Malhotra	Chief Financial Officer	

(b) Transactions with related parties for the year ended March 31, 2019

Particulars	Key Management Personnel	
	As at 31st March 2019 (In Lacs)	As at 31st March 2018 (In Lacs)
Remuneration		
Yuvraj Malhotra	60.00	60.00
Navraj Malhotra	24.00	24.00
Diksha Malhotra	30.00	30.00
Sajan Motwani	2.05	1.45
Labdhi Shah	0.81	-
Yashika Yuvraj Malhotra	12.00	10.73
Loans taken		
Yuvraj Malhotra	40.51	100.91
Diksha Malhotra	6.50	78.91
Yashika Yuvraj Malhotra	3.50	9.65
Loans repayment		
Yuvraj Malhotra	56.44	49.97
Diksha Malhotra	7.48	100.00
Yashika Yuvraj Malhotra	-	5.30

(c) Balances with related parties as at March 31, 2019

Balance Outstanding at year end		
Yuvraj Malhotra	84.98	100.91
Diksha Malhotra	77.93	78.91
Yashika Yuvraj Malhotra	13.15	9.65

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 and Flanges and Forged Fittings for oil & gas industry, Petrochemicals and refineries industry. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

Note 33 - 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 days of salary for year of service. The gross obligation toward the gratuity at the end of the year on is Rs. 68.78 Lacs /- (previous year, 67.83 lacs/- The Company has not funded the gratuity obligation against any plan assets.

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

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Current service cost	4.49	4.12
Past service cost and loss/(gain)	-	9.58
Net interest cost	4.90	3.99
Net value of remeasurements on the obligation and plan asset	-	
Total expenses recognized in the statement of profit or loss	9.39	17.69

Defined benefit obligation are as follows:

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Liability at the beginning of the year	67.83	57.59
Interest cost	4.90	3.99
Current service cost	4.49	4.12
Due to changes in financial assumption	0.28	(1.53)
Past service cost	-	9.58
Benefit paid		
Due to experience Adjustment	(8.72)	(5.92)
Actuarial (gains)/losses on obligations	-	-
Liability at the end of the year	68.78	67.83

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

	As at 31st March 2019
	Rs. In Lacs
Discount rate	7.45% P.A
Rate of increase in compensation levels	5% P.A
Withdrawal Rate	10% P.A at younger ages reducing to 2% P.A at older
Average Age of retirement (years)	60

Note - 34 Leave Benefits

The benefits are governed by the company's Leave Policy. The gross obligation toward the Leave Benefit at the end of the year on is Rs.8.37 Lacs /- (previous year, 9.15lacs/-).

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

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

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Current service cost	1.28	1.43
Past service cost and loss/(gain)		-
Net interest cost	0.69	0.64
Net value of remeasurements on the obligation and plan asset	(2.10)	(2.07)
Total expenses recognized in the statement of profit or loss	(0.13)	0.00

(ii) Changes in defined benefit obligation:

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Liability at the beginning of the year	9.15	9.15
Interest cost	0.69	0.64
Current service cost	1.28	1.43
Due to changes in financial assumption	0.04	(0.20)
Past service cost		-
Benefit paid	(0.65)	-
Due to experience Adjustment	(2.13)	(1.87)
Actuarial (gains)/losses on obligations		-
Liability at the end of the year	8.37	9.15

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

Note 35 - Expenditure in foreign currency (accrual basis)

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Foreign Travelling	3.59	3.36
Total	3.59	3.36

Note 36 - Value of Imports calculated on CIF basis

	As at 31st March 2019	As at 31st March 2018
	Rs. In Lacs	Rs. In Lacs
Trading goods	10.00	-
Total	10.00	-

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	18.27	1356.56	-	-
Indigenous	81.73	7,426.73	100%	6,727.40
Total	100%	7,426.73	100%	6,727.40

Note 38 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has not received any intimation from “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 39 - Financial Derivative Instruments

b. Foreign currency exposure that are not hedge by derivative instruments as on 31st March, 2019 is USD \$ 432,340.50 [previous year USD \$ 11,24,314.91]. The unhedged exposure are naturally hedged by foreign currency earnings and earnings linked to foreign currency.

Note 40 - Advance received from suppliers are netted off against the outstanding creditors and advance from debtors at the end of the year. Further Sundry Debtors, Sundry Creditors, Loans & advances and outstanding balance are subject to confirmation and reconciliation

Note 41 - 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 and Managing Director
(DIN-00225156)

Navraj Malhotra
Whole Time Director
(DIN-00225183)

Anil Bansal
Proprietor
Membership no. 043918
Place : Mumbai
Date: 16/05/2019

Yashika Yuvraj Malhotra
Chief Financial Officer

Labdhi Shah
Company Secretary

AGM VENUE

Whispering Palms Club House, Lokhandwala Township, Kandivali (East) Mumbai - 400101



BALLOT FORM

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

14th Annual General Meeting, Saturday, 28th September, 2019 at 4.00 P.M

Name of the Company: Hilton Metal Forging Limited
Registered Office : 701, Palm Spring, Link Road, Malad West, Mumbai- 400 064
CIN : L28900MH2005PLC154986

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

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

Sr.No	Item No (Description)	Type of Resolution	No of Shares held by me	I assent to the resolution (For)	I dissent to the resolution (Against)
ORDINARY BUSINESS					
1	Receive, consider and adopt the audited Financial Statements for the Financial year ended 31st March, 2019 together with the Reports of the Board of Directors and the Auditor's thereon.	Ordinary			
2	Reappointment of Mr. Yuvraj Hiralal Malhotra as Director of the Company, who retires by rotation.	Ordinary			
SPECIAL BUSINESS					
3	Ratification of remuneration payable to Cost Auditor for the financial year 2019-2020.	Ordinary			
4	Director appointment of, Mr. Sandeep Ravindra Shah, by appointing him as an Independent Director of the Company.	Ordinary			
5	Director appointment of, Mr. Prithivish Sushil Mundra, by appointing him as an Independent Director of the Company.	Ordinary			
6	Director appointment of, Ms. Nikita Natwarlal Moradia, by appointing her as an Independent Director of the Company.	Ordinary			
7	Re-Appointment of Mr. Sanjay Jain (DIN 00152758) as an Independent Director	Ordinary			

Place :
Date :

Signature of the Member

Form No. SH-13
Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

14th Annual General Meeting, Saturday, 28th September, 2019 at 4.00 P.M

To,

Hilton Metal Forging Limited

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

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

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

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

(2) PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR--

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Address of guardian:

Name: _____

Address: _____

Name of the SecurityHolder(s): _____

Signature: _____

Witness with name and address: _____

Signature : _____