



HILTON METAL FORGING LIMITED

Registered Office: Unit B 510 Western Edge II Village Nr. W.E. Highway, Magathane, Borivali East, Mumbai, Maharashtra - 400066;
Telephone: +91-9619667638; **E-mail:** info@hiltonmetal.com **Website:** www.hiltonmetal.com;
Contact Person: Mrs. Richa Shah, Company Secretary and Compliance Officer;
Corporate Identification Number: L28900MH2005PLC154986

ENTITLEMENT LETTER FOR THE RIGHTS ISSUE

CAF No.:

Dear Shareholder,

SUB: RIGHTS ISSUE 60,00,000* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ('RIGHTS EQUITY SHARES') OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 55/- EACH (INCLUDING A PREMIUM OF ₹ 45/- PER RIGHT EQUITY SHARE) ('ISSUE PRICE'), FOR AN AMOUNT UPTO ₹ 3300.00 LAKHS ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF HILTON METAL FORGING LIMITED ('COMPANY' OR 'ISSUER') IN THE RATIO OF 2 (TWO) RIGHT EQUITY SHARES FOR EVERY 5 (FIVE) EQUITY SHARE HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, THURSDAY, OCTOBER 20, 2022, ('ISSUE'). THE ISSUE PRICE IS 5.5 TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 170 OF THE LETTER OF OFFER.

***Assuming full subscription**

This letter does not constitute an offer of, or a solicitation of an offer to purchase, any securities of the Company in any jurisdiction where such offers or solicitations are not permitted by law. You are advised to read the disclaimer carefully before reading, accessing or making any other use of the documents. By accessing this letter and its enclosures, you are hereby deemed to represent that you qualify under the above criteria. This letter and its enclosures should not be reproduced, transmitted or distributed to any other person.

You have been sent this letter (including its enclosures) to comply with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), and relevant circulars issued by SEBI from time to time. This letter does not constitute an offer of, or a solicitation of an offer to purchase, any securities of the Company in any jurisdiction where offers or solicitations are not permitted by law. The information in this letter is solely intended for distribution to, and use by, Eligible Equity Shareholders of the Company as of the Record Date i.e., Thursday, October 20, 2022, who have provided an Indian address to the Company or who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. By accepting this letter and its enclosures, you are hereby deemed to represent that you qualify under one of the foregoing criteria. This letter and its enclosures should not be reproduced, transmitted or distributed to any other person.

IF YOU ARE NOT PERMITTED TO VIEW THIS LETTER OR ARE IN ANY DOUBT AS TO WHETHER YOU ARE PERMITTED TO VIEW THIS LETTER, PLEASE TREAT THIS LETTER AS SENT FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE ACTED UPON FOR SUBSCRIPTION TO THE RIGHTS EQUITY SHARES AND SHOULD NOT BE COPIED OR REDISTRIBUTED.

With reference to above, please find below the details of Equity Shares held by you as on Record Date i.e., Thursday, October 20, 2022 along with your Rights Entitlements.

| Folio Number/ DP or Client ID | Number of Equity Shares held by you on Record date i.e., Thursday, October 20, 2022 | Number of Rights Entitlement |
|-------------------------------|---|------------------------------|
| | | |

Abridged Letter of Offer ("ALOF") & Application Form are enclosed herewith.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.hiltonmetal.com).

This is to inform you that the captioned Issue opens for subscription on Thursday, November 03, 2022 and closes for subscription on Friday, November 11, 2022. Our Board or a duly authorised Committee of the Board thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Procedure for application in the issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 read with SEBI circular SEBI/HO/CFD/DIL2/CIR/2020/78 dated May 6, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI circular SEBI/HO/CFD/DIL2/ CIR/P/2021/552 dated April 22, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 1, 2021 ("SEBI Rights Issue Circulars") and subject to the conditions prescribed under the SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 and SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 (together "ASBA Circulars"), all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details see "Terms of the Issue" – Procedure for

Application through the ASBA Process on Page 184 of the Letter of Offer ("LOF").

Credit of rights entitlements in demat account of eligible equity shareholders:

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, the Company shall credit the Rights Entitlements to (a) the demat account of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (b) a demat suspense escrow account (namely, "Hilton Metal Forging Limited-Unclaimed Rights Entitlement Suspense Account") opened by the Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or (ii) Equity Shares held in the account of IEPF authority; or (iii) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (iv) Credit of the Rights Entitlements returned/ reversed / failed; or (v) the ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable; or (vi) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company; or (vii) the ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable. (viii) Eligible Equity Shareholders who have not provided their Indian addresses.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNT TO THE REGISTRAR OR THE COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ATTENTION FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar not later than two Working Days prior to the Issue Closing Date.

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to our Company or Registrar at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Pursuant to the SEBI Rights Issue Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

Investors can access the Letter of Offer, the Abridge Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of

- (a) our Company at www.hiltonmetal.com;
- (b) the Registrar at www.bigshareonline.com;
- (c) the Lead Manager at www.kunvarji.com; and
- (d) the Stock Exchanges at www.bseindia.com & www.nseindia.com.

Trading of the rights entitlements:

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN INE788H20017. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE and NSE for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism. For more details, see "Procedure for Renunciation of Rights Entitlements" on page 185 of the Letter of Offer.

Renunciation of rights entitlements:

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the BSE and NSE or through an off-market transfer. For details, see 'Procedure for Renunciation of Rights Entitlements' on page 185 of Letter of Offer.

In accordance with SEBI Circulars the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or the Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

FRACTIONAL ENTITLEMENT:

The Right Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of 2 (Two) Right Shares for every 5 (Five) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the

Eligible Shareholders is less than 5 (Five) Equity Shares or is not in the multiple of 5 (Five) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Right Shares over and above their Rights Entitlements, if any, subject to availability of Right Shares in this Issue post allocation towards Rights Entitlements applied for.

ISSUE SCHEDULE:

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| Last date for Credit of Rights Entitlements | Monday, October 31, 2022 |
| Issue Opening Date | Thursday, November 03, 2022 |
| Last Date for On Market Renunciation* | Friday, November 04, 2022 |
| Issue Closing Date | Friday, November 11, 2022 |
| Finalization of Basis of Allotment (on or about) | Friday, November 18, 2022 |
| Date of Allotment (on or about) | Monday, November 21, 2022 |
| Date of Credit (on or about) | Friday, November 25, 2022 |
| Date of Listing (on or about) | Wednesday, November 30, 2022 |

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on platforms of BSE and NSE are taken within the prescribed timelines, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE and NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of BSE and NSE in accordance with the applicable laws.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

Investors can access the LOF, the Abridged LOF and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the website of the Lead Manager or the Company or the Registrar or the Stock Exchange.




Please refer to the FAQs available on the websites of the Company and the Registrar to the Issue, which may be used as guidance for making an Application in the Rights Issue.

NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer the Abridged Letter of Offer or CAFs may come are required to inform themselves about and observe such restrictions. For details, see "Notice to Investors" beginning on page 13 of the Letter of Offer.

NO OFFER IN THE UNITED STATES

The rights entitlements and the right shares have not been and will not be registered under the United States securities act, 1933, as amended, or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, "U.S. Persons" (as defined in regulation s under the securities act, except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and right shares referred to in this letter of offer are being offered in India and in jurisdictions where such offer and sale of the right shares and/ or rights entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the Draft Letter of Offer, this Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

| COMPANY DETAILS | REGISTRAR TO THE ISSUE | LEAD MANAGER TO THE ISSUE |
|---|--|--|
|  <p>HILTON METAL FORGING LIMITED CIN: L28900MH2005PLC154986 Registered Office: Unit B 510 Western Edge II Village Nr. W.E. Highway, Magathane, Borivali East, Mumbai, Maharashtra - 400066 Telephone: +91-9619667638 Contact Person: Mrs. Richa Shah, Company Secretary and Compliance Officer, E-mail: info@hiltonmetal.com Website: www.hiltonmetal.com</p> |  <p>BIGSHARE SERVICES PRIVATE LIMITED Address: Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093 Telephone: 022-62638200/22 Email: rightsissue@bigshareonline.com Website: www.bigshareonline.com Investor grievance e-mail: investor@bigshareonline.com Contact Person: Mr. Vijay Surana SEBI Registration No.: INR000001385 Validity of Registration: Permanent</p> |  <p>KUNVARJI FINSTOCK PRIVATE LIMITED Address: B-Wing, Siddhivinayak Towers, Nr DAV School, Next to Kataria House, Off SG Highway, Makarba, Ahmedabad - 380051 Telephone: +91 79 6666 9000 E-mail/ Investor grievance: info@kunvarji.com Website: www.kunvarji.com Contact Person: Mr. Niraj Thakkar/ Mr. Prasann Bhatt SEBI Registration Number: INM000012564 Validity of Registration: Permanent</p> |

Note: All capitalized terms, unless defined herein, shall have the meaning ascribed to them in the Letter of Offer.

For Hilton Metal Forging Limited

Sd/-

Mrs. Richa Shah

Company Secretary & Compliance Officer