



HILTON METAL FORGING LIMITED

Our Company was incorporated as "Hilton Metal Forging Limited" on July 21, 2005, as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai, Maharashtra, (the "RoC") bearing Registration No. 154986 upon conversion of a partnership firm named "M/s Hilton Forge". Our Company received its certificate of commencement of business dated September 09, 2005 from the RoC. For details of the change in the address of the registered office of our Company. For details see '**General Information**' on page 41 of this Letter of Offer.

Corporate Identification Number: L28900MH2005PLC154986

Registered Office 303, Tanishka Commercial Co-op. Society Ltd, Akurli Road, Kandivali East, Mumbai, Kandivali East, Maharashtra, India, 400101

Contact No: +022-40426565 | **Contact Person:** Mrs. Richa Shah, Company Secretary and Compliance Officer;

Email-ID: info@hiltonmetal.com | **Website:** www.hiltonmetal.com

PROMOTERS OF OUR COMPANY:

MR. YUVRAJ HIRALAL MALHOTRA, MRS. DIKSHA YUVRAJ MALHOTRA AND MS. YASHIKA YUVRAJ MALHOTRA

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF HILTON METAL FORGING LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UPTO 1,67,70,000* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("RIGHTS EQUITY SHARES") OF HILTON METAL FORGING LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹16.68/- EACH INCLUDING A SHARE PREMIUM OF ₹6.68/- PER RIGHTS EQUITY SHARE ("ISSUE PRICE") FOR AN AMOUNT AGGREGATING UPTO ₹ 2,797.24 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 29 (TWENTY-NINE) RIGHTS EQUITY SHARES FOR EVERY 60 (SIXTY) FULLY PAID-UP EQUITY SHARE HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, TUESDAY, FEBRUARY 24, 2026, ("ISSUE"). THE ISSUEPRICE IS 1.67 (ONE POINT SIXTY-SEVEN) TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE**' BEGINNING ON PAGE 83 OF THIS LETTER OF OFFER (the "LOF").**

**Assuming full subscription with respect to Rights Equity Shares.*

CONFIRMATION

Neither our Company nor any of our Promoters or any of Directors are or have been categorized as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter(s) or Fraudulent Borrower(s) issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Letter of Offer. Investors are advised to refer section titled '**Risk Factors**' beginning on page 24 of this Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (the "Stock Exchange"). Our Company has received 'in-principle' approval from BSE and NSE for listing the Rights Equity Shares to be issued pursuant to this Issue vide their letters dated February 16, 2026 and February 16, 2026. Our Company will also make applications to the Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI Master circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024. For the purpose of this Issue, the Designated Stock Exchange is NSE.

REGISTRAR TO THE ISSUE

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Address: Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai - 400011, Maharashtra, India;

Contact Person: Ms. Deepali Dhuri

Tel No.: +91 22 4961 4132 / +91 22 4970 0138;

Email: newissue@purvashare.com

Investor grievance e-mail: newissue@purvashare.com

Website: www.purvashare.com

SEBI Registration No: INR000001112



ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	Wednesday, February 25, 2026
DATE OF OPENING OF THE ISSUE	Friday, March 6, 2026
LAST DATE FOR ON-MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*	Tuesday, March 10, 2026
DATE OF CLOSING OF THE ISSUE**	Friday, March 13, 2026
DATE OF FINALIZATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	Monday, March 16, 2026
DATE OF ALLOTMENT (ON OR ABOUT)	Monday, March 16, 2026
DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT)	Wednesday, March 18, 2026
DATE OF LISTING (ON OR ABOUT)	Wednesday, March 18, 2026

**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.*

***Our Board or a duly authorized committee 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 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

(THIS PAGE IS INTENTIONALLY LEFT BLANK)

TABLE OF CONTENTS

SECTION I – GENERAL	4
DEFINITIONS AND ABBREVIATIONS	4
NOTICE TO INVESTORS	15
PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION	18
FORWARD LOOKING STATEMENTS	20
SECTION II – SUMMARY OF THE LETTER OF OFFER	22
SECTION III – RISK FACTORS	24
SECTION IV – INTRODUCTION	41
GENERAL INFORMATION	41
CAPITAL STRUCTURE	46
SECTION V – PARTICULARS OF THE ISSUE	49
OBJECTS OF THE ISSUE	49
STATEMENT OF TAX BENEFITS	59
SECTION VI – OUR MANAGEMENT	69
SECTION VII – FINANCIAL INFORMATION	72
FINANCIAL STATEMENTS	72
SUMMARY OF FINANCIALS	73
SECTION VIII – GOVERNMENT APPROVALS AND LICENSING ARRANGEMENT	74
GOVERNMENT AND OTHER APPROVALS	74
OTHER REGULATORY AND STATUTORY DISCLOSURES	75
SECTION IX – ISSUE INFORMATION	83
TERMS OF THE ISSUE	83
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	116
RESTRICTIONS ON PURCHASES AND REALES	118
SECTION X – OTHER INFORMATION	122
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	122
DECLARATION	123

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the Company’, ‘we’, ‘our’, ‘Our Company’, ‘us’ or similar terms are to Hilton Metal Forging Limited as the context requires, and references to ‘you’ are to the Eligible Equity Shareholders and/ or prospective Investors in this Rights Issue of Equity Shares.

The words and expressions used in this Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, SEBI Listing Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘Statement of Tax Benefits’, ‘Financial Information’, and ‘Terms of the Issue’ beginning from page 59, 72 and 83 respectively, shall have the meaning given to such terms in such sections.

GENERAL / COMPANY RELATED TERMS

Term	Description
<i>Hilton Metal Forging Limited / Our Company / the Company / the Issuer"</i>	Hilton Metal Forging Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time having its Registered Office situated at 303, Tanishka Commercial Co-op. Society Ltd, Akurli Road, Kandivali East, Mumbai, Kandivali East, Maharashtra, India, 400101;
<i>We/ us/ our / Our Company</i>	Unless the context otherwise indicates or implies, refers to Hilton Metal Forging Limited;

Terms	Description
<i>AoA/ Articles of Association</i>	The Articles of Association of Hilton Metal Forging Limited, as amended from time to time;
<i>Audit Committee</i>	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and section 177 of the Companies Act, 2013;
<i>Audited Financial Statements</i>	The Audited Financial Statements of our Company for the Financial Year ending March 31, 2025 and March 31, 2024; which comprises of the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows, notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Term	Description
Auditors/ Statutory Auditors/ Peer Review Auditor	The statutory auditors of our Company Anil Bansal & Associates, Chartered Accountants having FRN: 100421W;
Board of Directors/ Board	The Board of Directors of Hilton Metal Forging Limited. For details, see "Our Management" on page 69 of this Draft Letter of Offer.
Chairman & Managing Director (MD)	The Chairman & Managing Director of our Company, Mr. Yuvraj Hiralal Malhotra;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, Mr. Mohak Yuvraj Malhotra;
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, Mrs. Richa Shah;
Directors	The director(s) on the Board of our Company, unless otherwise specified;
DP ID	Depository Participant Identification, is a unique 8-digit code assigned to a Depository Participant (DP) by the Depository;
Eligible Equity Shareholder(s)	Eligible Shareholder(s) of the Equity Shares of Hilton Metal Forging Limited as on the Record Date;
Equity Shares	Equity Share of the Company having Face Value of ₹ 10/- (Rupee Ten Only), unless otherwise specified;
Executive Directors	Executive director(s) of our Company, unless otherwise specified;
Financial Statements	Collectively, the Audited Financial Statements and Reviewed / Unaudited Financial Information;
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act 2013 and SEBI (LODR) Regulations, 2015. For details of the Independent Directors, please refer to section titled 'Our Management' beginning on page 69;
ISIN of our Company	International Securities Identification Number being INE788H01017;
Key Management Personnel/ KMP	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013;
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Letter of Offer.
Memorandum of Association/MOA	The Memorandum of Association of Hilton Metal Forging Limited, as amended from time to time;
Non-executive Director(s)	Non-Executive Director of our Company, unless otherwise specified;
Nomination and Remuneration Committee	The committee of the Board of directors constituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations;
Promoters	The promoters of our Company, namely Mr. Yuvraj Hiralal Malhotra, Mrs. Diksha Yuvraj Malhotra and Ms. Yashika Yuvraj Malhotra;
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations;
Registered Office	The registered office of our Company located at 303, Tanishka Commercial Co-op. Society Ltd, Akurli Road, Kandivali East, Mumbai, Kandivali East, Maharashtra, India, 400101;
Registrar of Companies/ RoC	Registrar of Companies, Mumbai, Maharashtra, situated at 100, Everest, Marine Drive, Mumbai – 400 002;

Term	Description
Senior Management	Senior management personnel of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations;
Shareholders	The equity shareholders of our Company, from time to time, unless otherwise specified in the context thereof;
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013;
Unaudited Financial Results	The limited review financial results of our Company for the nine months ended December 31, 2025 and December 31, 2024.

GENERAL ISSUE RELATED TERMS

Term	Description
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/ Allotted	Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act;
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, State Bank of India;
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to this Issue;
Allotment Date / Date of Allotment	Date on which the Allotment is made pursuant to this Issue;
Allottee(s)	Person(s) to whom Rights Equity Shares are issued pursuant to the Issue;
Applicant(s)/ Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to this Issue in terms of the Draft Letter of Offer/Letter of Offer, including an ASBA Investor;
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price;
Application Form/ Common Application Form (CAF)	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;

Term	Description
Application Supported by Blocked amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	A bank account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounees) shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022, Applications Supported by Blocked Amount (ASBA) facility for right issues, under the SEBI ICDR Master Circular and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.;
Bankers to the Issue Agreement	Agreement dated February 4, 2026 entered into by and amongst our Company, Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case is State Bank of India;
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in the Issue, and is described in the section titled ' Terms of the Issue ' beginning on page 83;
Common Application Form / Composite Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue;
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, bank account details and occupation, where applicable;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Designated Branches	SCSB Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at

Term	Description
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Designated Stock Exchange	National Stock Exchange of India Limited (NSE)
Draft Letter of Offer/ DLOF	The Draft Letter of Offer dated February 4, 2026, filed with BSE and NSE in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Eligible Equity Shareholders / Eligible Shareholders	Existing Equity Shareholders as on the Record Date i.e. Tuesday, February 24, 2026. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders;
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors updated from time to time or at such other website(s) as may be prescribed by the SEBI from time to time;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an Issue and with whom Escrow Account(s) will be opened, in this case being Axis Bank Limited;
Issue/ the Issue /Rights Issue	Issue of up to 1,67,70,000 Fully paid-up Equity Shares of our Company for cash at a price of ₹ 16.68/- (Rupee Sixteen and Sixty Eight Paise Only) per Rights Equity Share, including a share premium of ₹ 6.68/- per Rights Equity Share, for an amount up to ₹ 2797.24 Lakhs on a rights basis to the Eligible Shareholders of our Company in the ratio of 29 (Twenty-nine) Rights Equity Shares for every 60 (Sixty) Equity Share held by the Eligible Equity Shareholders of our Company on the Record Date i.e. Tuesday, February 24, 2026;
IEPF	Investor Education and Protection Fund
Issue Closing Date	Friday, March 13, 2026
Issue Material	Collectively, the Draft Letter of Offer, this Letter of Offer, the Common Application Form (CAF)/ Application Form and Rights Entitlement Letter and any other material relating to the Issue;
Issue Opening Date	Friday, March 6, 2026
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ 16.68/- per Rights Equity Share.
Issue Proceeds	The gross proceeds raised through the Issue.;
Issue Size	Amount up to ₹ 2797.24 Lakhs* <i>(*Assuming full subscription.)</i>
Letter of Offer/ LOF	The Letter of Offer dated February 27, 2026, filed with the BSE and NSE after incorporating the observations received from the Stock Exchange on the Draft Letter of Offer, including any addenda or corrigenda thereto;
Listing Agreement	The listing agreement entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations;
Monitoring Agency	Infomerics Valuation and Rating Limited
Monitoring Agency Agreement	Agreement dated February 4, 2026, between our Company and the Monitoring Agency in relation to monitoring of Gross Proceeds;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further

Term	Description
	Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' Objects of the Issue ' beginning on page 49;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Documents / Issue Material	The Draft Letter of Offer, Letter of Offer, including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Tuesday, March 10, 2026;
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	A record date fixed by our Company for the purposes of determining the Equity Shareholders who are eligible to apply for Rights Equity Shares, being Tuesday, February 24, 2026;
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Registrar and Share Transfer Agent (RTA)	MUFG Intime India Private Limited
Registrar to the Issue/Registrar/RTA	Purva Share registry (India) Private Limited
Registrar Agreement	Agreement dated February 4, 2026 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Renouncee(s)	Any person(s) who has/have acquired the Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the Companies Act and any other applicable law;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. Friday, March 6, 2026. Such period shall close on Tuesday, March 10, 2026 in case of On Market Renunciation. 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 Renouncee on or prior to the Issue Closing Date i.e. Friday, March 13, 2026;
Retail Individual Investors/ RIIs	An individual Investor who has applied for Rights Equity Shares for an amount not more than ₹ 2,00,000 (including an HUF applying through karta) in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations;
Rights Entitlement (s)/ REs	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity

Term		Description
		Shareholder on the Record Date, in this case being 29 (Twenty-nine) Rights Equity Shares for every 60 (Sixty) Equity Share held by an Eligible Equity Shareholder;
		The Rights Entitlements with a separate ISIN 'INE788H20033' shall be credited in dematerialized form in respective demat account of Eligible Equity Shareholder before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circular.
Rights Entitlement Letter		Letter including details of Rights Entitlements of the Eligible Shareholders;
Rights Equity Shares		Fully paid-up Equity Shares of our Company to be Allotted pursuant to this Issue;
SEBI Rights Issue Circulars		Collectively, SEBI ICDR Master Circular, SEBI circulars bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', 'SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020', 'SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020', 'SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020' 'SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021' and 'SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022', SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025;
Self-Certified Syndicate Banks/ SCSB(s)		The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time;
Stock Exchange		Stock exchange where the Equity Shares of our Company are presently listed, being BSE Limited (BSE) and National Stock Exchange of India Limited ("NSE")
Transfer Date		The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter/ Fraudulent Borrower		A Company or person, as the case may be, categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such;
Working Day(s)		In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, Working day means all days on which commercial banks in Gujarat are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Gujarat are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchange, "Working Day" means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

BUSINESS AND INDUSTRY RELATED TERMS

Term	Description
2T/3T/16T	Tone
AIFI	Association of Indian Forging Industry
ANSI	American National Standard Institute
API Monogram	American Petroleum Institute registered certification mark
	American Society for Testing and Materials
	American Society Of Mechanical Engineers
ASTM/ASME/MSS/ AWWA/DIN/EN/ AND NACE Standards	Manufacturers Standardization Society of the Valve and Fittings Industry
	American Water Works Association
	Deutsches Institut für Normung
	European Norm
	The National Association of Corrosion Engineers
B2B	Business to Business
BS	British Standard
BU	Business Unit
CAGR	Compounded Annual Growth Rate
Capex	Capital Expenditure
CNC	Computer Numerical Control
CRN	Canadian Registration Number
CSIR-IMMT	CSIR-Institute of Minerals and Materials Technology
DEPB	Duty Entitlement Pass Book
EEPC	Engineering Export Promotion Council of India
FDI	Foreign Direct Investment;
FEA	Far East Asia
FICCI	Federation of Indian Chambers of Commerce and Industry;
FIPB	Foreign Investment Promotion Board;
FY	Financial Year;
GDP	Gross Domestic Product
GFMA	Global Financial Markets Association
GSI	Geological Survey of India
GST	Goods and Services Tax;
GVA	Gross Value Added
HMC	Horizontal Machining Center
HSE	Health, Safety and Environment
IIP	Index of Industrial Production
ISO 9001:2000	International Standard Organization 9001:2000 Certification Standard
MNC	Multi National Company;
MOUs	Memorandum of Understanding;
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MSS	Manufacturer's Standardization Society
MT	Metric Tonnes
NCFM	NSE Academy Certification in Financial Markets
NOC	No Objection Certificate;
OEM	Other Equipments Manufacturers
PDO	Petroleum Development Oman
PED	Pressure Equipment Directive
SASOL	South African Synthetic Oil Limited
SSI	Small Scale Industries

ABBREVIATIONS

Term	Description
₹/Rs. /Rupees /INR	Indian Rupees, the official currency of the Republic of India;
AGM	Annual General Meeting;
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
AML	Anti Money Laundering
AS	Accounting Standards issued by the Institute of Chartered Accountants of India;
AY	Assessment Year;
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate;
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder;
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
CSR	Corporate Social Responsibility;
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
Depositories Act	The Depositories Act, 1996;
DP/ Depository Participant	Depository Participant as defined under the Depositories Act;
DIN	Director Identification Number;
DP-ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EPS	Earning per Equity Share;
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA;
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FPI Regulations;

Term		Description
Fugitive Offender	Economic	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI		Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;
Financial Year, Fiscal Year or Fiscal/FY		Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP		Generally Accepted Accounting Principles;
GDP		Gross Domestic Product;
GoI / Government		The Government of India;
GST		Goods and Services Tax;
HUF		Hindu Undivided Family;
ICAI		The Institute of Chartered Accountants of India;
ICSI		The Institute of Company Secretaries of India;
IFRS		International Financial Reporting Standards;
IGST		Integrated Goods and Services Tax
Income Tax Act/ IT Act		The Income Tax Act, 1961 and amendments thereto;
Ind AS		Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended
Insider Regulations	Trading	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Insolvency Code		Insolvency and Bankruptcy Code, 2016, as amended;
IT		Information Technology;
MCA		The Ministry of Corporate Affairs, GoI;
MN / Mn		Million;
Mutual Funds		Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA		Not Applicable;
NAV		Net Asset Value;
NEFT		National Electronic Fund Transfer;
Net Worth		Aggregate of Equity Share capital and other equity
Notified Sections		The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;
NR/ Non-Resident		A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE		Non-Resident External Account;
NRI		Non-Resident Indian;
NSDL		National Securities Depository Limited;
NSE		National Stock Exchange of India Limited;
OCB		A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA.
P.A.		Per annum;
P/E Ratio		Price/Earnings Ratio;
PAN		Permanent Account Number;

Term	Description
PAT	Profit After Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RoNW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956;
SCRR	Securities Contracts (Regulation) Rules, 1957;
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India;
SEBI Act	Securities and Exchange Board of India Act, 1992;
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
STT	Securities Transaction Tax;
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto;
TDS	Tax deducted at source;
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;
W.E.F	With effect from

NOTICE TO INVESTORS

The distribution of this Letter of Offer, Application Form and Rights Entitlement Letter (*collectively, the "Issue Material(s)"*) 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 Draft Letter of Offer, Letter of Offer or CAFs i.e. Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis, in accordance with the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/dispatch electronically through email and physical dispatch through registered post/speed post/courier only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company, RTA and Depository Participants. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any of the Issue Materials. Investors can also access the issue material from the websites of the Registrar, our Company, and the Stock Exchanges. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders available with the Registrar in their records.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with BSE and NSE ("*Stock Exchanges*") for observations. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer, and, under such circumstances, Issue Materials must be treated as sent for information purpose only and should not be acted upon for subscription to Rights Entitlement and Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Materials should not, in connection with this Issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in the Issue Material.

Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India). In addition, each purchaser or seller of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the "*Restrictions on Purchases and Resales*" section beginning on page 118.

Our Company, the Registrar to the Issue or any other person acting on behalf of us reserve the Rights to treat any Application Form as invalid where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations. The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form or Rights Entitlement Letter should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer or where any action would be required to be taken to permit the Issue. Our

Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders, who have provided an Indian address to our Company. Any person who purchases or sells Rights Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the rights to treat as invalid any Application form which:

- Does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations;
- Appears to our Company or our agents to have been executed in or dispatched from the United States;
- Where a registered Indian address is not provided; or
- Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any U.S. federal or state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” in this Letter of Offer refer to the Republic of India, and all references to the “Government”, “GoI”, “Central Government”, or “State Government” refer to the Government of India, whether Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references here into the “US” or “U.S.” or the “United States” refer to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of Offer refer to a calendar year.

Unless stated otherwise, all references to page numbers in this Letter of Offer refer to the page numbers of this Letter of Offer.

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to the/our “Company”, “we”, “our”, “us” or similar terms refer to Hilton Metal Forging Limited or, as the context requires, and references to “you” refer to the Equity Shareholders and/or prospective Investors in the Equity Shares.

FINANCIAL DATA

Unless stated otherwise, or unless the context requires otherwise, the financial data in this Letter of Offer is derived from Audited Consolidated Financial Statement for the financial year ended March 31, 2025 and March 31, 2024 which were audited by the Statutory Auditors and Unaudited Financial Results for nine months ended December 31, 2025 along with Comparative prior year period i.e. December 31, 2024 together with the Limited Review Report carried out by the Statutory Auditors of the Company. For further details, please refer to the section titled ‘**Financial Information**’ beginning on page 72. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve month period ended on March 31 of that year.

The Government of India has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”). Unless stated otherwise, the financial data in this Letter of Offer is derived from the Audited Consolidated Financial Statement of our Company for the Financial Year ended March 2025 and March 2024 which have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act, 2013 and other the relevant provisions of the Companies Act, 2013. Our Company publishes its Financial Statements in Indian Rupees in Lakhs.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. For further information, see ‘**Financial Information**’ beginning on page 72 of this Letter of Offer. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should

accordingly be limited. For further information, see '*Financial Information*' on page 72 of this Letter of Offer

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

CURRENCY OF PRESENTATION

All references in this Letter of Offer to "*Rupees*", "*Rs.*", "*₹*", "*Indian Rupees*" and "*INR*" refer to Rupees, the official currency of the Republic of India.

All references to "*U.S. \$*", "*U.S. Dollar*" "*USD*" or "*\$*" refer to United States Dollars, the official currency of the United States of America.

Exchange Rates:

This Letter of Offer contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Indian Rupee, are as follows.

Currency	Exchange Rate as on		
	September 30, 2025	March 31, 2025	March 31, 2024
1 USD	88.79	85.58	83.37

Source: <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

Please Note:

In this Letter of Offer, our Company has presented certain numerical information. All figures have been expressed in "Lakhs". The amounts derived from Audited Consolidated Financial Statements included herein are represented in "Lakhs", as presented in the Audited Consolidated Financial Statements.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

All statements regarding our Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

1. Any adverse development in the Metal and Steel Industry.
2. Any adverse outcome in litigation proceedings in which our Company is involved.
3. Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans.
4. General economic and business conditions Globally, in India and in the markets in which we operate and in the local, regional, and national economies.
5. Changes in laws and regulations relating to the sectors and industry in which we operate.
6. Our ability to manage our operating costs and impact on the financial results.
7. Our ability to Successfully implement our business strategies and expansion plans.
8. Changes in general, political, social and economic conditions in India and elsewhere.
9. Dependence on a number of key management personnel and our ability to attract and retain skilled and qualified personnel.
10. As our Company's Securities are listed on BSE and NSE, we must comply with specific requirements and reporting obligations under SEBI's Listing Regulations. Failure to comply or delays in doing so may result in legal action and/or fines.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled '**Risk Factors**', 'beginning on page 24 respectively.

The forward-looking statements contained in this Letter of Offer are based on the beliefs of our Company's management, as well as the assumptions made by, and information currently available to, the management of our Company. Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the

actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI and Stock Exchange requirements, our Company will ensure that the Eligible Equity Shareholders are informed of material development until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchanges.

SECTION II – SUMMARY OF THE LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Letter of Offer, including the sections titled 'Risk Factors' and 'Objects of the Issue' beginning on page 24 and 49 respectively.

SUMMARY OF THE BUSINESS OF OUR COMPANY

Hilton Metal Forging Limited is primarily engaged in the business of manufacturing of iron and steel forging mainly catering to the needs of the Oil and Gas, Refineries and Pharmaceutical industries. Our Company is one of the leading manufacturer, distributors and recognized export house of steel forged flanges, fittings & oilfield and marine products for both the domestic & international markets as per ASTM / ASME / MSS / API / AWWA / DIN / EN / AUSTRALIAN / RUSSIAN AND NACE Standards. We use state-of-the-art machinery resulting in better quality forged flanges and fittings and are also capable to provide special custom forgings as per our customers' drawings and specifications.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS & PROMOTER GROUP IN THE ISSUE

Our Promoter and Promoter Group have confirmed that they will (i) subscribe to the Rights Entitlements in part or in full extent of the Issue, and they may renounce their Right Entitlements fully or in part in favour of the Promoters and members of the Promoter Group; (ii) apply for and subscribe to the additional Rights Equity Shares, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR, 1957 and the SEBI (LODR) Regulations, 2015, as amended from time to time. Accordingly, our Promoter and Promoter Group have no intention to renounce their Rights Entitlement in the Issue in favour of any Specific Investor(s).

Any such subscription for Rights Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding in the Company. The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI (SAST) Regulations. The Issue shall not result in a change of control of the management of our Company in accordance with the provisions of SEBI (SAST) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Intention of issuer to allot the under-subscribed portion of the rights issue to any specific investor(s)

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s). Accordingly, provisions of Regulation 84(1)(f) of the SEBI ICDR Regulations are not applicable to us.

CONFIRMATION

Neither our Company, nor our Promoter or Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

SUMMARY OF OUTSTANDING LITIGATIONS

As on date of this Draft Letter of Offer, there are following below mentioned proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company:

(₹ in Lakhs)

Name of Entity	Civil Proceedings	Criminal Proceedings	IT/TDS Proceeding	Actions by Regulatory Authority	Amount Involved*
COMPANY					
By the Company#	Nil	Nil	Nil	Nil	Nil
Against the Company##	Yes	Yes	Nil	Nil	Nil

*To the extent quantifiable

#There are no cases filed by the company.

As on date of this Draft Letter of Offer, there are following below mentioned proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company:

a. Anil B. Yadav vs. M/s. Hilton Metal Forging Ltd. (Writ Petition No. 2226 of 2023)

The Aforesaid writ petition was instituted by erstwhile labour contractor who is no longer associated with the company. The Petitioner has not appeared or participated in any Proceeding since the date of filing. The Company is in consultation with legal solicitors for taking appropriate steps to seek dismissal of the matter on the ground that no cause of action subsists against the Company.

b. State of Maharashtra Labour Officer vs. M/s. Hilton Metal Forging Ltd. (Case filing no. 154/2023)

The proceedings were initiated on account of a delay in payment of bonus for the financial year 2020-21 and for failure to submit the requisite ledgers, registers, and balance sheet to the Labour Officer within the prescribed timeframe. Subsequently, the Company has remitted the outstanding bonus dues in full and has furnished all necessary statutory documents as required. In view of the fact that the Company has rectified all identified non-compliances, it is respectfully submitted that the matter be dismissed at the next hearing.

SECTION III – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including the risks and uncertainties described below and ‘Financial Information’ beginning on page 72 respectively in this Letter of Offer, before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us”, “our” refers to our Company.

RISKS RELATING TO THE ISSUE AND OBJECTS OF THE ISSUE & RISKS MATERIAL TO THE ISSUER AND ITS BUSINESS:

- 1. Our Company's manufacturing activities are dependent on availability of skilled and unskilled labourers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected.***

Our Company has employed 64 employees on our payroll as on date of filing this Letter of Offer. These employees include employees in the lower, middle, bottom level management and also those employees who are part of manufacturing unit and office staff but excluding employees hired on contractual basis. Our operations and performance are depending on our ability to identify, attract and retain both skilled and unskilled labour. Owing to our manufacturing operations, our Company may have to appoint additional employees for the smooth functioning of the manufacturing unit. In case such labour is unavailable or we are unable to identify and retain such labourers, our business could be adversely affected.

- 2. We derive significant (82.00%) of our revenues from our top ten customers. The loss of revenues from such customers, in particular would have an adverse impact on our results of operations and financial condition.***

Our top ten customers represented (82.00%) of our sales of Nickel products, Stainless steel Pipe fitting items, Forged Railway Wheels, and other products for Fiscal 2025. We cannot assure you that we can maintain the historical levels of business from these clients/distributors or that we will be able to

replace these clients/distributors in case we lose any of them. There can be no assurance that any of the agreements with these customers will be entered into and renewed upon expiration thereof, or that any such new agreements will be entered into on terms and conditions satisfactory to us. Furthermore, major events affecting our clients, such as changes in government policies and bankruptcy, change of management, mergers and acquisitions in other cases could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

3. *Our business is exposed to the changes in the technical and other requirements of our clients, which may require us to make major capital investments or may be beyond our capabilities.*

Our business is exposed to changes in the technical and other requirements of our clients. Better and newer technologies being developed worldwide help optimize forging performance, reduce operational costs. Further, our customers may choose to include specific conditions with respect to age and condition of the machinery in the contracts we enter into which may require us to make further investments to meet such requirements.

4. *Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*

Our Company has taken certain unsecured loans from related parties, including our Promoter, Promoter Group, Directors and their relatives. We believe these transactions were done on an arm's-length basis. However, we cannot guarantee that the terms would not have been more favorable if the transactions had been with unrelated parties.

We may also enter into related party transactions in the future. We cannot assure investors that such transactions will always be in the best interest of minority shareholders or that they will not affect our business, financial performance, cash flows or overall financial position. However, all the compliance and laws applicable for related party transactions shall be duly followed and complied.

5. *The Company's manufacturing plants are primarily concentrated in Palghar and any adverse developments affecting this region could have an adverse effect on the Company's business, results of operation and financial condition.*

We have and operate Stainless Steel / Alloy Steel / Carbon Steel / Nickel bars manufacturing, which are concentrated in Village Ghonsai, Tal. Wada. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the Central or State or Local government in the Maharashtra state in India could adversely affect, amongst others, manufacturing operations and transport operations, and require us to take necessary actions to mitigate the problem including any modification of our business strategy or modification/suspension of our operations. Any such adverse development affecting continuing operations at our manufacturing plans could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operation, financial condition, cash flows and future business prospects.

6. *Fluctuation in foreign currency exchange rates could affect our financial condition and results of operations.*

We have imported certain raw material, components and spare parts consumed from outside India in past and looking at the market conditions, we may import certain raw materials from outside India which could adversely affect our results of operations. Our business involves import transactions with foreign companies, as such we are exposed to fluctuations in foreign exchange rates between foreign and Indian currencies. We are exposed to the risk of incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations. We cannot guarantee that we will not experience foreign exchange losses going forward and that such losses will not adversely affect our business, financial condition or results of operations.

- 7. *We constantly face a credit risk which may in turn affect our complete cycle adversely. Also, any customer dispute regarding our performance may amount in delay or withholding of payment to us.***

Our business cycle is heavily dependent on timely payments being received from our customers. In case that our products are not delivered on timely basis and/or the quality of the products does not fulfill the requirements of our customer, it may lead to dissatisfaction. Further it may lead to consequence of customer dispute regarding our performance or workmanship and the customer may delay or withhold payment to us, which may result in materially affecting our business.

In case of such default in payment/ unforeseeable delay in payment from any of our customers our working capital cycle will be adversely affected. This may lead to lack of competitive advantage leading to an adverse effect on our business operations and profitability.

- 8. *Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in “Objects of the Issue”. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Issue in a timely or an efficient manner, it may affect our business and results of operations.

Any material variation in the utilization of the Net Proceeds from the objects stated in this Offer Document shall be subject to the prior approval of the shareholders of the Company in accordance with applicable laws and regulations.

Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Issue in a timely or efficient manner, it may affect our business and results of operations.

- 9. *If we are unable to obtain the necessary funds for our growth plans, our business and results of operations may be adversely affected.***

There can be limited assurance that debt or equity financing or our internal accruals shall be available or sufficient to fund our growth plans. Financing limitations may restrict our ability to obtain required capital on acceptable terms in addition to other uncertainty. Due to our inability to raise sufficient capital to finance our growth plans, the business of our Company and results of operations may be adversely affected.

10. *The price of the Equity Shares may be highly volatile after the Issue.*

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors including volatility in the Indian and global securities market, our operations and performance, performance of our competitors and perception in the market about investments in the our industry, adverse media reports on us or the industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

11. *As the Equity Shares of our Company are listed on the BSE & NSE, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.*

The Equity Shares of our Company are listed on BSE & NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements. However, any non-compliance might have been committed by us/ may be committed by us in future, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

During the past three years, the Company had instances of delay in submission of the Corporate Governance Report under Regulation 17 of the SEBI (LODR) Regulations. However, the Company has duly submitted the required reports and has paid the applicable Standard Operating Procedure (SOP) fines for such delays. Accordingly, the said non-compliances have been regularized.

12. *We require to obtain, maintain and/or renew certain registrations, approvals, licenses and permission in ordinary course of our business, and failure to do so, in a timely manner or at all, we may be unable to fully or partially operate our businesses and our results of operations may be adversely affected.*

We require certain approvals, licenses, registrations and permissions for our operations. While we believe we will be able to obtain, maintain and renew such approvals or permits as required, there can be no assurance that we can do so in the timeframes anticipated by us, or at all. If we fail to obtain, maintain or renew any of these approvals or permits in a timely manner or at all, our operations and expansion plans may be interrupted, which could adversely affect our growth strategy, business and results of operations. Furthermore, our approvals and permits are subject to numerous conditions, some of which are onerous and require us to make substantial expenditures. If we fail to comply or a regulator alleges that we have not complied with these conditions, our business and results of operations could be adversely affected.

13. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.*

Employee misconduct, errors, or fraud can create significant business risk, including financial loss, regulatory penalties, and reputational damage. Examples include security breaches, misuse of funds, concealed unauthorized activities, non-compliance with operational standards, and improper handling

of confidential information. We acknowledge that not all misconduct can be prevented or detected, and existing controls may not always be effective. Losses from misconduct such as misappropriated petty cash or unauthorized expenses may be irrecoverable and could negatively impact financial results. Historically, we have experienced employee errors that did not cause major disruptions, but have resulted in delayed revenue recognition and slower realization of receivables.

14. *If our current or future employees were to unionize or our labour costs were to increase, our results of operations may be adversely affected.*

As on date of this DLOF, employees of our company are not a part of any Labor Union. However, we cannot assure you that the same will prevail in future. We believe that unionized operations have advantages over non-unionized competitors in providing reliable and cost-competitive customer services, including greater efficiency and flexibility, seeking higher wages and enhanced employee benefits. Such unionization of our employees could result in an increase in wage expenses and our cost of employee benefits, limit our ability to provide certain services to our customers, cause customers to limit their use of our services due to the increased potential for strikes or other work stoppages and result in increased expenditures in connection with the collective bargaining process, any of which could have a material adverse effect on our business, financial condition and results of operations.

Further, it is possible under Indian law that we may be held responsible for wage payments and other benefits to labourers engaged by contractors in case contractors default on wage payments. Any requirement to fund such payments will adversely affect us, our business, financial condition and results of operations.

Further, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if we are unable to pass on the increased costs to our customers, our business operations and financial condition may be adversely affected.

15. *Any failure in our quality control processes may adversely affect our business, results of operations and financial condition.*

We may face product liability claims or legal action if our products fail to meet customer expectations. Although we enforce robust quality control checks, defects in parts or undetected errors can still occur. In prior instances, defective goods were mistakenly delivered, causing customer dissatisfaction; however, we promptly replaced these products, preserving customer trust.

Despite having quality control processes for raw materials and finished goods based on internal standards, we cannot guarantee that these processes will always be effective. Failures in quality controls, human error, or sub-standard materials could result in defective products.

If customers return products due to quality issues, we may need to accept returns and refund costs, which could damage long-term customer relationships, harm our reputation and brand image, and ultimately negatively impact business performance. In such cases, customers might lose confidence in our products, refuse further engagement, and we could also incur significant costs defending product liability claims.

16. *We sell our products in highly competitive markets and our inability to compete effectively, market our products relative to our competitors may lead to lower market share, and adversely affect our operations and profitability.*

Our Company operates within a highly competitive forged fittings and nickel products market, where multiple domestic players produce a wide range of forged fittings used across industrial applications.

The Indian forged steel market is sizable and growing, supported by infrastructure, automotive, and industrial demand, but it involves many manufacturers and suppliers with overlapping product offerings, making precise market share calculation difficult.

Competition in our sector is driven primarily by demand creation, pricing, quality, and customer relationships. To remain competitive, we must continuously invest in effective marketing and customer engagement. In pricing dynamics, competitors with greater financial resources or larger scale may be better equipped to react to market shifts and absorb pricing pressures, which could force us to respond with price adjustments while still maintaining quality standards a balance that may not always be achievable.

In segments such as nickel products, competitive pressures contribute to thinner margins, although these products still represent a significant portion of our revenue. Conversely, in our railways division, competition is relatively limited, offering opportunities to offset lower margins in more crowded segments like pipe fittings and annealed nickel products.

Given this environment, there is no assurance that we will sustain or grow our customer base against competitors, and failure to compete effectively could adversely impact our revenues, profitability, and overall financial condition.

17. *The unexpected loss, slowdown or shutdown of operations at any of the Company's manufacturing units could have a material adverse effect on our results of operations and financial condition.*

Our Company has a manufacturing unit situated at Palghar. Our manufacturing unit is subject to operating risks, such as (a) the risk of substantial disruption or shutdown due to unexpected breakdowns or failure of equipment, facility obsolescence or disrepair, power supply interruptions, natural disasters, storms, fires, explosions, earthquakes, floods and other catastrophic events, actual, potential or suspected epidemic outbreaks, terrorist attacks and wars, labour disputes, strikes, lock-outs, loss of services of our external contractors, and industrial accidents, (b) performance below expected levels of output or efficiency, and (c) obsolescence. Moreover, catastrophic events could also destroy any inventory located at our manufacturing unit. The occurrence of any unscheduled, unplanned or prolonged disruption of our manufacturing operations could result in a temporary or long-term closure of any of our single manufacturing unit, which could have material adverse effect on our sales and revenues from operations in such period.

We have faced such instances in past, during the year 2015, where operations became unviable due to inadequate and expensive power including company being referred to Board of Industrial and Financial Reconstruction. There were delay in manufacturing due to lack of Oxygen Cylinders which was a crucial element in forging in the year 2020 due to COVID Pandemic.

No assurance can be given that one or more of the factors mentioned above will not occur, which could have a material adverse effect on our results of operations and financial condition. Although the Company takes reasonable precautions to minimize the risk of any significant operational problems at its manufacturing facilities, no assurance can be given that one or more of the factors mentioned above will not occur, which could have a material adverse effect on the Company's results of operations and financial condition.

18. *Accidents at our facilities may lead to public liability consequences.*

Though we take all possible steps to ensure adoption and compliance with high standards of safety and fire control at our facilities, we cannot assure you that these mechanisms will be adequate to contain

safety risks that may arise in the future. Though we maintain public liability insurance cover for our facilities, in the event of an accident, we may be exposed to civil, tort and criminal liabilities.

19. *We are required to comply with environmental laws and regulations that could cause us to incur significant costs.*

Our operations are subject to various international, national, state and local laws and regulations including laws specific to the industry in which we operate, as well as laws generally governing business in India, laws relating to the protection of the environment and occupational health and safety, laws governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our business operations. While we are not aware of any outstanding material claims or obligations, we may incur substantial costs, including clean up or remediation costs, fines and civil or criminal sanctions, and third-party property damage or personal injury claims, as a result of violations of or liabilities under environmental or health and safety laws or non-compliance with permits required at our facilities, which, as a result, may have an adverse effect on our business and financial condition.

20. *Our business is substantially affected by prevailing economic conditions in India.*

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include: • any increase in Indian interest rates or inflation; • any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India; • prevailing income conditions among Indian consumers and Indian corporations; • volatility in, and actual or perceived trends in trading activity on, India's principal Stock Exchanges; • changes in India's tax, trade, fiscal or monetary policies; • political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; • prevailing regional or global economic conditions, including in India's principal export markets; and • other significant regulatory or economic developments in or affecting India or its forging industry. • any adverse fluctuations in currency points. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business and financial performance and the price of the Equity Shares.

21. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

Any inability to declare dividend may adversely affect the trading price of our Equity Shares. Our Board has recommended dividend for the shareholders in past. Our future ability to pay dividends and the amount of any such dividends, if declared, will depend upon a number of factors, including our future earnings, financial condition, cash flows, planned capital expenditures, working capital requirements, results of operations and financial condition and other factors considered relevant by our Board of Directors and shareholders. We cannot assure you that we will generate sufficient income to cover our operating expenses and shall be able to pay dividends. Further, dividends distributed by our Company will attract tax obligation in the hands of Shareholders and may be subject to other requirements prescribed under law. There is no assurance that we will declare and pay, or shall have the ability to declare and pay, any dividends on Equity Shares in the future.

22. *In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.*

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter '*Objects of the Issue*' on page no. 49. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

23. *There are outstanding legal proceedings involving our Company, our Group Entity, Promoters and Directors. Any adverse decision in such proceeding may have a material adverse effect on our business, results of operations and financial condition.*

There are certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

24. *Major fraud, lapses of internal control or system failures could adversely impact the company's business.*

Our Company is exposed to operational risks related to employee non-compliance with established procedures, weaknesses in system controls, fraud, and failures in information and communication systems. These risks arise from disruptions in internal processes or external networks, which can affect the reliability and security of our operations.

In the past, ineffective system controls have led to internal fraud, resulting in revenue loss from scrap mismanagement and procurement inefficiencies, including higher material costs due to unfavorable vendor dealings. Such incidents demonstrate the potential financial impact of control failures.

If we fail to adequately prevent or detect fraud or security breaches, it could negatively affect our operational performance and financial results. Significant incidents involving employees, agents, customers, or third parties could also harm our reputation and stakeholder confidence.

The Company has taken appropriate corrective and preventive measures to address the instances of internal control weaknesses and operational lapses identified in the past. Upon identification of the said incidents, the Company conducted an internal review and strengthened its internal control framework. Disciplinary and corrective actions were initiated against the concerned personnel wherever required. The Company has also revised and reinforced its standard operating procedures, particularly in relation to scrap management, procurement processes, and vendor selection. The Company continues to periodically review its internal control systems and risk management framework and undertakes necessary improvements to mitigate operational and compliance risks. Management is committed to maintaining robust governance standards and ensuring that such instances do not recur in the future.

25. *We are dependent upon few suppliers for the material requirements of our business. Further, we do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our relationships with existing suppliers or to identify new suppliers could adversely affect our business operations.*

While we have maintained a long-term relationship with many of our suppliers and we have been able to negotiate favorable credit terms from them due to increased order sizes and timely payments, we cannot assure you that we shall be able to maintain such favourable credit terms in future. We are, to a major extent, dependent on external suppliers for our raw material requirements; we do not have any

long-term supply agreements or commitments in relation to the same used in our business process. Although we have a long-term relationship with our suppliers, we do not have a formal written agreement with any of them. We get longer credit periods based on our relationship with the suppliers established over a period of time primarily because of continuity of orders placed with them, size of the order and timely payments made to suppliers.

Further, we are also exposed to fluctuations in the prices of raw materials used. Thus, we may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our products becoming unaffordable if pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our margins. Upward fluctuation of price of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial conditions and results of operations.

26. We do not have agreements having commitment on part of our customers to purchase or place orders with us. If our customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.

We typically rely on blanket purchase orders issued by our customers from time to time that set out the price per unit of the products that are to be supplied to/ purchased by them from us. Pursuant to the purchase order, our customers provide us the quantities of units to be supplied along with the delivery schedules specifying the details of delivery.

The Company's revenue stream is significantly dependent on a limited number of customers. In operations, a substantial portion of revenues is reliant on a select number of customers, and the potential to significantly reduce customer concentration in the future remains uncertain. As we do not have long-term agreements with our customers. Customers may choose to cease sourcing our products. We cannot assure that we will receive repeat orders from our customers in the future.

We cannot assure that we may be able to maintain the relationship in future also. Further, absence of any contractual exclusivity with respect to our business arrangements with such customers poses a threat on our ability to be able to continue to supply our products to these customers in the future. Should the customer cease to place orders in the future, our revenue might decline, potentially impacting our financial standing.

Moreover, any deterioration in the financial condition or business prospects of these key customers may adversely impact their demand for our products and their ability to fulfill payment obligations in a timely manner or at all, potentially leading to a substantial decrease in the revenues derived from these customers.

Furthermore, the potential loss of a significant customer or a reduction in the volume of business from such a customer could exert adverse effects on our business, including impacts on results of operations, cash flows, and overall financial condition.

27. Delays or defaults in payments from our clients could result into a constraint on our cash flows. The efficiency and growth of our business depends on timely payments received from our clients.

In the event, our client's default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

- 28. *We are dependent on our senior management team and the loss of key members or failure to attract skilled personnel may adversely affect our business. We believe we have a team of professionals to oversee the operations and growth of our business.***

Our performance is substantially dependent on the expertise and services of our senior management and other key personnel. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by the Company. We cannot assure that we will be able to retain any or all of the key members of our management team or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with the Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such key members of our management team could have an adverse effect on our business and our results of operations. The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operation and financial condition.

ISSUE SPECIFIC RISKS

- 29. *Any future issuance of Equity Shares may dilute your shareholdings and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future issuances of equity or convertible instruments by the Company may lead to the dilution of investors' shareholdings in the Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of the Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

- 30. *Our Company will not distribute the Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch the Letter of Offer, the Rights Entitlement Letter, and the Application Form (the "Issue Materials") to such Shareholders who have provided an address in India for the service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions.

However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

31. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholder”) may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with the SEBI ICDR Master Circular, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a Demat Escrow Account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar no later than two clear Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares). For further information, see “*Terms of the Issue*” on page 83.

Further, in case bank accounts of the aforesaid Eligible Equity Shareholders cannot be identified due to any reason or bounce back from such bank accounts, our Company may use payment mechanisms such as cheques, demand drafts etc. to remit the proceeds of sale of the Equity Shares to such Eligible Equity Shareholders. If such bank account from which Application Money was received is closed or non-operational, the sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.

32. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and the Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “*Terms of the Issue*” on page 83 of this Letter of Offer.

33. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such a conversion may reduce the net dividend for foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future,

which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

34. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the Regulation 87 of SEBI (ICDR) Regulations, 2018 the Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Right Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events like force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. The occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their Applications in the event of any such occurrence.

35. *Investors will be subject to market risks until the Rights Issue Shares credited to their demat accounts are listed and permitted to trade.*

Investors can start trading the Rights Issue Shares allotted to them only after they are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Rights Equity Shares to the date when trading approval is granted for them. Further, we cannot assure you that the Rights Equity Shares allocated to an Investor will be credited to the Investor's demat account or that trading in the Equity Shares will commence in a timely manner.

36. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

37. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, any company incorporated in India must offer its holders of equity shares preemptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights due to non-filing of an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by

Indian law to you. To the extent that you may be unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

38. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

39. *Failure to exercise or sell the Rights Entitlements due to non-receipt of Draft Letter of Offer, Letter of Offer, Application Form and other Issue related matter.*

In accordance with the provisions of the Companies Act, 2013, SEBI Listing Regulations and other applicable SEBI Circulars from the time being issued, this Draft Letter of Offer will be submitted to BSE & NSE for obtaining In-principle approval in connection with this Issue & Public dissemination of the same on website of BSE & NSE. In addition to this, DLOF shall also be made available on the website of the Company & its Registrar. Further, Letter of Offer, Application Form and other Issue related matter shall also be made available for the eligible equity shareholders and the renounces on the website of BSE & NSE, the Company & its Registrar. Letter of Offer and Application Form shall also be sent to eligible equity shareholders via email on their email IDs registered with the Company/ its RTA and/ or the Depositories. Hence members are hereby requested to register their E-mail addresses with their Depository Participant or with RTA of the Company, for insuring receipt of issue related materials. Those members who have changed their E-mail ID/ Addresses are requested to update their new E-mail ID / Addresses with the Depository Participants, in case they have not already updated the same. Only those eligible equity shareholders whose email IDs are not available shall be set Letter of Offer and Application Form to the Address available with the Company/ RTA/ Depositories. The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders or renounces will not receive any consideration for them. Please note that neither the Company, its RTA & other persons associated in connection with the issue shall be held liable for any loss that may be caused to eligible equity shareholders, renounces due to failure to exercise, renounce the rights entitlements due to non-receipt or delay in receipt or misplacement in the transit of all or any of the issue related materials.

40. *There are restrictions on daily / weekly / monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Being listed, we are subject to circuit breakers imposed by stock exchange on which equity shares are listed, i.e. BSE & NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and same may be changed without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

EXTERNAL RISK FACTORS

41. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.*

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may have to incur costs or may be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

42. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

43. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and Indian Metal & Mining Industry contained in the letter of offer.*

While facts and other statistics in the letter of offer relating to India, the Indian economy and the Indian Metal & Mining Industry has been based on various government publications, reports from government agencies, India Brand Equity Foundation and industry publications etc. that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

44. *Malpractices by some players in the industry affect overall performance of emerging Companies*

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

45. *The new bankruptcy code in India may affect our rights to recover loans from borrowers.*

The Insolvency and Bankruptcy Code, 2016 ("Bankruptcy Code") was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision, and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professional information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

In case insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Under the Bankruptcy Code, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Bankruptcy Code provides a 180-day timeline which may be extended by 90 days when dealing with insolvency resolution applications. Subsequently, the insolvency resolution plan prepared by the insolvency professionals has to be approved by 66% of voting share of financial creditors, which requires sanction by the adjudicating authority and, if rejected, the adjudicating authority will pass an order for liquidation. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it. In case a liquidation process is opted for, the Bankruptcy Code provides for a fixed order of priority in which proceeds from the sale of the debtor's assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes, debts owed to workmen and other employees. Further, under this process, dues owed to the Central and State Governments rank at par with those owed to secured creditors. Moreover, other secured creditors may decide to opt out of the process, in which case they are permitted to release their security on priority.

Accordingly, if the provisions of the Bankruptcy Code are invoked against any of the debtors of our Company, it may affect our Company's ability to recover out standings and same will be done as per the Bankruptcy Code.

Further, the GoI vide notification dated March 24, 2020 ("Notification") has amended section 4 of the Bankruptcy Code due the lingering impact of the COVID-19 pandemic. Pursuant to the said Notification, GoI has increased the minimum amount of default under the insolvency matters from ₹1,00,000 to ₹1,00,00,000.

46. *Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Letter of Offer.*

Financial information that is based on the audited financial statements that are prepared and presented in conformity with Ind AS and restated in accordance with the SEBI Regulations wherever required, and no attempt has been made to reconcile any of the information given in this Letter of Offer to any other principles or to base it on any other standards. Ind AS differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind AS and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Ind AS contained in this Letter of Offer. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is dependent on familiarity with Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS on the financial disclosures presented in this Letter of Offer should accordingly be limited.

47. *Global economic, geo political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.*

Global economic and geo political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

48. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

49. *Natural calamities could have a negative impact on the Indian economy and cause the Company's business to suffer.*

Our Country in the past has experienced natural calamities such as earthquakes, tsunami, floods etc. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

50. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.*

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

CONFIRMATIONS

A. Compliance with the Listing Agreement and SEBI LODR Regulations, 2015:

The Company is compliant with the requirements of Equity Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

B. Redressal of Investor Complaints:

The Company has redressed all the complaints received from the investors until the end of the quarter immediately preceding the month of the date of filing this Letter of Offer.

C. Impact of SEBI Proceedings:

The Company, its Promoters or Whole Time Directors have neither received any show cause notices from SEBI nor its Adjudicating Officers for imposition of any penalty. Further, there are no prosecution proceedings which have been initiated by SEBI against the Company, its Promoter and Whole Time Directors.

D. Suspension of Trading in Equity Shares of the Company on Account of Disciplinary Reasons:

The trading in equity shares of the Company have not been suspended on account of any disciplinary measure during last three years immediately preceding the date of filing of this Letter of Offer.

SECTION IV – INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as a “Hilton Metal Forging Limited” on July 21, 2005 as a public limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation issued the Registrar of Companies, Mumbai upon conversion of a partnership firm “M/s. Hitlon Forge”. Our Company received its certificate of commencement of business dated September 09, 2005. Our Company was listed on May 24, 2007 on BSE and NSE, bearing Scrip ID ‘532847’, Scrip Code ‘HILTON’ respectively and ISIN ‘INE788H01017’. The Corporate Identification Number of our Company is L28900MH2005PLC154986.

Company Secretary and Compliance Officer

Mrs. Richa Shah	
Address	303, Tanishka Commercial Co-op. Society Ltd, Akurli Road, Kandivali East, Mumbai - 400101
Tel No	022-40426565
Email	info@hiltonmetal.com
Website	www.hiltonmetal.com

Statutory Auditor of Our Company

M/S. Anil Bansal & Associates Chartered Accountants	
Address	1001, IJMIMA Complex, Raheja’s Metroplex, Link Road, Malad (West), Mumbai - 400064
Tel No	+91 22-4979 5471
Email	anilbansal306@gmail.com
Contact Person	Mr. Anil Bansal
Membership No.	043918
Firm Registration No.	100421W
Peer Review No.	016438

Banker to the Issue

State Bank of India	
Address	144 Majestic Shopping Centre, J.S.Marg, Charni Road, Mumbai-400004
Tel No	+91-22-23823354
Email	sbi.08599@sbi.co.in
Website	www.sbi.co.in
Contact Person	Mr. Tejpal Singh Rathore

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On

Allotment, the amount will be unblocked, and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

Registrar And Share Transfer Agent

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)	
Address	C-101, 247 Park, LBS Marg, Surya Nagar, Vikhroli West, Mumbai - 400083
Contact Person	Mallika Kalamkar
Email	mallika.kalamkar@in.mpms.mufg.com
Investor Grievance E-mail	mallika.kalamkar@in.mpms.mufg.com
Website	https://in.mpms.mufg.com/
SEBI Registration Number	INR000004058

Registrar to the Issue

Purva Sharegistry (India) Private Limited	
Address	Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India
Contact Person	Ms. Deepali Dhuri
Tel No.	+ 91 22 4961 4132 / +91 22 4970 0138;
Email	newissue@purvashare.com
Investor Grievance E-mail	newissue@purvashare.com
Website	www.purvashare.com
SEBI Registration Number	INR000001112

Monitoring Agency

Our Company has appointed Infomerics Valuation & Rating Limited to act as the Monitoring Agency, to monitor the utilisation of the Gross Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations. Their details are as follows:

Infomerics Valuation & Rating Limited	
Address	Kanakia Wall Street, B Wing, Office No. 1102 - 1104, Off. Andheri – Kurla Road, Andheri (E), Mumbai – 400 093, Maharashtra
Contact Person	Mr. Vikas Sharma
Tel No.	+ 91 9022248821
Email	vikas.sharma@infomerics.com
Website	www.infomerics.com
SEBI Registration Number	: IN/CRA/007/2015

GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked. ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper

application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '**Terms of the Issue**' beginning on page 83.

EXPERT

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent dated February 4, 2026 from our Statutory Auditors, M/s. Anil Bansal & Associates, Chartered Accountants, to include their name in this Letter of Offer and as an 'expert', as defined under applicable laws, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements, Unaudited Financial Results for the latest quarter and the Statement of Special Tax Benefits dated February 4, 2026 included in this Letter of Offer and such consent has not been withdrawn as of the date of this Letter of Offer.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Last Date for credit of Rights Entitlements	Wednesday, February 25, 2026
Issue Opening Date	Friday, March 6, 2026
Last Date for On Market Renunciation of Rights Entitlements [#]	Tuesday, March 10, 2026
Issue Closing Date [*]	Friday, March 13, 2026
Finalization of Basis of Allotment (on or about)	Monday, March 16, 2026
Date of Allotment (on or about)	Monday, March 16, 2026
Date of Credit (on or about)	Wednesday, March 18, 2026
Date of Listing (on or about)	Wednesday, March 18, 2026

[#]Eligible 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 Renouncees on or prior to the Issue Closing Date;

^{*}Our Board or a duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date or who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) clear Working Days prior to the Issue Closing Date, i.e., Tuesday, March 10, 2026, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account (Right Issue Escrow Entitlement Demat Account) to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., Thursday, March 12, 2026.

Investors are advised to ensure that the Applications Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled '**Terms of the Issue**' beginning on page 83 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at www.purvashare.com after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of

Eligible Equity Shareholders' under the section titled '*Terms of the Issue*' beginning on page 83 of this Letter of Offer.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited with the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

CREDIT RATING

As this proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

DEBENTURE TRUSTEE

As this proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

COLLECTING DEPOSITORY PARTICIPANTS (CDP)

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than UPI Bidders) at the Designated CDP Locations, including details such as name and contact details, is provided on the website of BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx> and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept ASBA Forms from Bidders (other than UPI Bidders) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx> as updated from time to time.

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025 w.e.f. April 07, 2025, this Letter of Offer has been filed with the Stock Exchanges for issue process and on receipt of the in-principle approval from BSE and NSE, the final Letter of Offer is being filed with the Stock Exchanges and will be submitted to SEBI/Board for information and dissemination at its head office situated at:

SEBI Head Office

Corporate Finance Department
SEBI Bhavan,
Plot No. C4-A, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051,
Maharashtra, India.

Email: cfddil@sebi.gov.in

BOOK BUILDING PROCESS

As the Issue is a rights issue, the Issue shall not be made through the book building process.

MINIMUM SUBSCRIPTION

The object of the Issue involves:

- Working Capital Requirements
- Adjustment of Unsecured Loans of the Promoter through conversion of the outstanding Loan to Equity against their Rights Entitlement
- Prepayment of outstanding borrowings availed by our Company from SBI.

Further Our Promoter and Promoter Group have confirmed that they will (i) subscribe to the Rights Entitlements in part or full extent of the Issue, and they may renounce their Right Entitlements fully or in part in favour of the Promoters and members of the Promoter Group; (ii) apply for and subscribe to the additional Rights Equity Shares, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR, 1957 and the SEBI (LODR) Regulations, 2015, as amended from time to time. Further, if any portion forming part of public is unsubscribed, the same may be subscribed by the Promoter and/ or Promoter Group.

Accordingly, in terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

Subscription by our Promoters and Promoter Group for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein will be fulfilled in accordance with provisions of the Takeover Regulations.

Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Letter of Offer, prior to and after the proposed Issue, is set forth below:

(₹ in Lakhs, except data relating to shares)

Particular	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorized Equity Share capital		
5,50,00,000 Equity Shares of face value of ₹ 10 each	5,500.00	NA
Issued, subscribed and paid-up Equity Share capital before this Issue		
3,46,96,551 Equity Shares of face value of ₹ 10 each	3,469.65	NA
Present Issue in terms of this Letter of Offer		
1,67,70,000 Fully paid-up Equity Shares of face value of ₹ 10 each	1,677.00	2,797.24
Issued, subscribed and paid-up Equity Share capital after the Issue		
5,14,66,551 Fully paid-up Equity Shares of face value of ₹ 10 each	5,146.66	NA
Securities Premium account		
Before the Issue		9,494.12
After the Issue		10614.35

Notes:

- (a) The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on February 4, 2026. The terms of the Issue including the Record Date and Rights Entitlement Price, Ratio have been approved by a resolution passed by the Board of Director at its meeting held on February 18, 2026.
- (b) Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.
- (c) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses.

NOTES TO THE CAPITAL STRUCTURE**1. Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares**

Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered.

The shareholding details are available on BSE:

https://www.bseindia.com/XBRLFILES/SHPXBRLDataXML/532847_32202615501_SP.html

The shareholding details are available on NSE:

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HILTON&tabIndex=equity>

2. Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Letter of Offer.

Name of promoter	Category	No. of equity shares	Date of Acquisition	Mode of Acquisition
Mr. Yuvraj Hiralal Malhotra	Promoter	2,42,790	19-11-2025	Offline*
Mr. Yuvraj Hiralal Malhotra	Promoter	29,09,604	14-01-2026	Rights Issue
Ms. Yashika Yuvraj Malhotra	Promoter	3,000	14-01-2026	Rights Issue

3. The Ex-rights price arrived in accordance with the formula prescribed Regulation 10(4)(b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹ 16.68/- (Rupees Rupee Sixteen and Sixty Eight Paise Only);

4. Shareholding Pattern of our company:

The shareholding pattern of our Company as on January 14, 2026 is as follows:

a) The details of the shareholding pattern of our Company as on January 14, 2026 can be accessed on the website of exchange at:

The shareholding details are available on BSE:

https://www.bseindia.com/XBRLFILES/SHPXBRLDataXML/532847_32202615501_SP.html

The shareholding details are available on NSE:

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HILTON&tabIndex=equity>

b) The statement showing the holding of Equity Shares of persons belonging to the category "Promoter and Promoters Group" January 14, 2026 can be accessed on the website of exchange at:

Details are available on BSE & NSE :

https://www.bseindia.com/XBRLFILES/SHPXBRLDataXML/532847_32202615501_SP.html &

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HILTON&tabIndex=equity>

5. The statement showing holding of securities of persons belonging to the category "Public", including equity shareholders holding more than 1% of the total number of Equity Shares, as well as details of shares which remain unclaimed may be accessed on the website of the exchange at:

Details are available on BSE & NSE:

https://www.bseindia.com/XBRLFILES/SHPXBRLDataXML/532847_32202615501_SP.html &

<https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=HILTON&tabIndex=equity>

6. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer;

7. As on the date of this Letter of Offer, our Company has not issued any special voting Rights Equity Shares and there are no outstanding Equity Shares having special voting rights;

8. As on the date of this Letter of Offer, our Company has not issued any equity shares in last one year for consideration other than cash.
9. As on the date of this Letter of Offer, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds towards the following objects:

1. Working Capital Requirements.
2. Adjustment of Unsecured Loans of the Promoter through conversion of the outstanding Loan to Equity against their Rights Entitlement.
3. Prepayment of outstanding borrowings availed by our Company from State Bank of India (SBI).
4. General Corporate Purposes.

(Collectively, referred to herein as the “Objects”).

We intend to utilize Net Proceeds, which will be the gross proceeds raised through the Issue (the "Issue Proceeds") after deducting the Issue-related expenses for the abovementioned Objects.

The main object clause of the Memorandum of Association (MOA) of our Company and the objects incidental and ancillary to the main objects enables us to undertake the activities for which the funds are being raised through the Issue, enable us to undertake (i) our existing activities; (ii) the activities for which the borrowings were availed and which are proposed to be repaid/prepaid from the Net Proceeds and (iii) activities for which funds earmarked towards general corporate purposes shall be used. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

ISSUE PROCEEDS

The details of Issue Proceeds are set forth in the following table:

	(₹ in Lakhs)
Particulars	Amount
Gross Proceeds from the Issue*	2797.24
Less: Estimated Issue related Expenses**	70.00
Net Proceeds from the Issue	2,727.24

* The Issue Size is up to ₹ 2797.24 Lakhs, assuming full subscription and finalization of the Basis of Allotment and to be adjusted as per Rights Entitlement ratio. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

**Estimated and subject to change at the time of filing of Letter of Offer.

REQUIREMENTS OF FUNDS

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

	(₹ in Lakhs)
Particulars	Amount
Working Capital Requirements	300.00
Adjustment of Unsecured Loans of the Promoter through conversion of the outstanding Loan to Equity against their Rights Entitlement	800.00
Prepayment of outstanding borrowings availed by our Company from SBI	1000.00
General Corporate Purposes*	627.24
Total **	2,727.24

* The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.

** Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Particulars	(₹ in Lakhs)		
	Amount Proposed to be Funded from Net Proceeds	Estimated Deployment of Net Proceeds FY 2026	Estimated Deployment of Net Proceeds FY 2027
Working Capital Requirements	300	300	-
Adjustment of Unsecured Loans of the Promoter through conversion of the outstanding Loan to Equity against their Rights Entitlement	800	800	-
Prepayment of outstanding borrowings availed by our Company from SBI	1000	1000	-
General Corporate Purposes. *	627.24	230	397.24
Total Net Proceeds**	2,727.24	2,330.00	397.24

* The amount is subject to adjustment upon finalization of Issue related expenses, however, in no event, shall general corporate purposes exceed 25% of the Gross Proceeds.

** Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement Ratio.

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of the management. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them. Further, in the event of any shortfall of funds for any of the activities proposed to be financed out of the Net Proceeds, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. See "Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates, favourable industrial and macroeconomic factors and have not been independently appraised. Any fluctuations in the same are beyond our control which may impact the utilisation of net proceeds." on page no. 24.

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Proceeds in the subsequent Financial Year towards the Objects.

Subject to applicable law, If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations. In the event that the estimated utilization of the Net Proceeds in a scheduled Financial Year is not completely met, due to the reasons stated above, the same shall be utilized in the next Fiscal Year, as may be determined by our Company in accordance with applicable laws.

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of

finance through verifiable means towards at least 75% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

DETAILS OF THE OBJECTS OF THE ISSUE

The details in relation to the Objects of the Issue are set forth below:

1. Augmenting Working Capital Requirements:

Our business is working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

We intend to meet our working capital requirements to the extent of approx. ₹ 300.00 Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement.

The details of basis of estimation of Working Capital Requirement are as under:

		(₹ in lakhs)	
Sr. No.	PARTICULARS	2025-26	2026-27
I.	Current Assets		
	Inventories	8751.97	12728.34
	Trade Receivables	3954.68	5273.43
	Other Financial Assets	27.13	27.13
	Short Term Loans & Advances	2948.85	2085.36
	Total Current Assets	15682.63	20114.26
II.	Current Liabilities		
	Borrowings	3427.62	5500.00
	Trade Payables	3583.99	4066.22
	Other Financial Liabilities	953.76	795.53
	Short Term Provisions	443.00	509.91
	Total Current Liabilities	8408.37	10871.66
III.	Working Capital Requirements [(I) - (II)]	7274.26	9242.60

Detailed Assessment of Working Capital:

The details of our Company's composition of working capital for Financial year 2024-25, 2023-24, 2022-23 based on the Financial Statements and working capital for Financial year 2025-26, 2026-27 based projections. Further, the source of funding of the same are as set out in the table below:

		(₹ in lakhs)			
Particulars	2022-23	2023-24	2024-25	2025-26	2026-27
	Audited	Audited	Audited	Projected	Projected
Current Assets					
Inventories					
a. Raw Materials	3421.90	3590.43	3742.36	4301.56	5617.34
b. Semi-Finished Goods	1492.23	2470.62	2667.13	2698.63	4490.42
c. Finished Goods	158.43	292.43	487.13	236.62	503.63

d. Store, Spares & Consumables	32.42	39.43	36.35	37.32	39.11
e. Dies and Inserts	1539.41	1498.18	1477.84	1477.84	2077.84
Total Inventories	6644.59	7891.08	8410.81	8714.65	12728.34
Trade Receivables	3019.49	2715.05	3920.06	3954.68	5273.43
Other Financial Assets	57.38	27.13	20.69	27.13	27.13
Other Current Assets	2240.50	2407.25	3141.27	2948.85	2085.36
Total [A]	11961.76	13040.52	15492.83	15682.63	20114.26
Current Liabilities					
Short Term Borrowings	3492.45	3714.78	4849.68	3427.62	7500.00
Trade Payable	2102.63	2119.41	2867.19	3583.99	4066.22
Other Financial Liabilities	278.12	289.57	179.70	953.76	795.53
Provisions	7.76	6.98	7.95	7.64	8.99
Other Current Liabilities	527.21	659.34	1080.39	333.24	350.69
Current Tax Liabilities	0	131.29	101.78	102.12	150.23
Total [B]	6408.17	6921.37	9086.69	8306.25	12871.66
Working Capital [A- B]	5553.59	6119.15	6406.14	7274.26	9242.60
Source of Working Capital					
Proceeds from Rights Issue	2469.00	0.00	0.00	300.00	0.00
Internal Accruals	0.00	2404.37	1556.46	2746.64	3742.60
Bank Finance	3084.59	3714.78	4849.68	3427.62	5500.00
Previous Rights Issue	0.00	0.00	0.00	800.00	0.00

Assumptions for Working Capital Requirements:

Particulars	No. of outstanding or holding level for the following period (In Days)					Justification for Holding
	2021-22	2022-23	2023-24	2025-26	2026-27	
Inventories	177	168	150	136	143	Finished Goods: Finished Goods days are computed based on the historic standalone audited financial statements. The average holding period of finished goods in the Financial Year 2025 were 183 days. Based on the estimated sales, the Company purchases significant quantities from domestic market to meet the expected demand of finished Goods and accordingly has assumed average holding period for finished goods as 173 days. So as to prompt supply of goods on demand. Out of our current experience the demand may come with subject to immediate supply & due to huge competition the stock should be available.

Trade Receivables	105	72	85	74	71	Trade receivables are based on the average standard payment terms across our customers. Our general credit terms vary across geographies and type of customers and our assumptions are based on past trends. Trade receivables for Financial Year 2025 were around 85 days. We are expecting to cut the period to 88 days so as to the recoveries become a problem as the collection period. In line with increase in good customer on our long-standing relations, we have assumed average trade receivables collection period of 88 days of revenue from operations from the Financial Year 2026, 2027.
##Cash and Cash Equivalent	<i>No holding period is specified, as these consist of fixed and earmarked deposits that remain in place for the duration of the funding arrangements with the financial institutions.</i>					The Company holds cash in hand, balances with banks in current accounts, and fixed deposits. On average, cash and cash equivalents amount to approximately Rs. 646.38 lakhs, primarily represented by fixed deposits. These balances are expected to be maintained and to gradually increase over the projected financial periods.
##Other Financial Assets	<i>No holding period is specified, as these consist of security deposits that remain in place for the duration of the services availed with the vendors typically in the form of Electricity and Rental of office and workers' premises.</i>					Other Financial Assets comprise security deposits classified as good and recoverable. These deposits have been placed in accordance with licensed rental agreements and electricity distribution requirements. The security deposits are carried forward and are expected to remain unchanged in the ensuing financial years.
##Other Current Assets	<i>No holding period is specified, as these consist of recoverables from statutory authorities that remain in place for as long as the funds inflow tend to happen. Some of which consists of Income tax Credits which are set off in the future or GST Credits that are set off in the further supplies.</i>					Other Current Assets include balances recoverable from statutory authorities, advances, and property-related receivables, which are subject to a defined holding period. Accordingly, the projected holding period is estimated to fall within FY 2025-26 and FY 2026-27. These assets are considered good and are expected to reduce over time, thereby improving the Company's overall liquidity position.
##Borrowings	Borrowings are renewed on regular basis as per the terms of the sanction letter hence holding period for the same cannot be justified.					Borrowings are taken by the company usually from Bank in Indian Rupee against security and from Related party (unsecured). The terms of borrowing are predetermined between the Company and lenders. Our Borrowings for the Financial Year 2025 were 260 Days. We have

						assumed average Borrowing period of 260 days for the Financial Year 2026, 2027.
Trade Payable	84	62	66	74	60	Trade Payable is based on the average standard payment terms of our vendors. Our trade payables primarily comprise of payables towards the purchase of goods. Our operating trade payables for the Financial Year 2025 were 62 Days. Our Company has assumed average operating trade payables payment period of 71 days of cost of goods sold from the Financial Year 2026, so that the company will get the additional discounted rates & made the stock available and this will also help us to freeze our buying rates with the vendors.
##Other Financial liabilities	Other Financial Liabilities consider maturity of the term loan borrowings for that period hence cannot be considered for holding period.					Other Financial Liabilities primarily consist of term loan borrowings maturing during the year. The Company anticipates a significant reduction in such liabilities in the foreseeable future, with a target to bring them down to minimal levels and subsequently to nil.
##Provisions	Provisions consider gratuity and other employee benefits as a part of their long service in the company and it gradually increases based on the number of years served in the company and hence cannot be considered for holding period.					The Company recognises provisions when a present (legal or constructive) obligation arises from a past event, the settlement of which is expected to result in an outflow of resources and a reliable estimate of the obligation can be made. Current provisions include gratuity obligations. Due to low employee turnover, gratuity provisions have increased in accordance with the applicable Ind-AS requirements.
##Other current liabilities	Since other current liabilities consider of such liabilities that have to be liquified based on the nature of such liability in the form of Statutory Dues or Advances from customer wherein the advance is reduced from the supplies made, Holding period cannot be quantifiable in such case.					Other Current Liabilities primarily include advances received from customers, statutory dues, and other operational liabilities. Advances from customers are adjusted against sales in accordance with the agreed contractual terms.
##Current Tax Liability	Current Tax liability arises out of the profits earned by the company which has to be paid before the due date hence holding days is not quantifiable.					Current Tax Liability pertains to income tax obligations. With the anticipated increase in production capacity and profitability, the Company expects a corresponding rise in current tax liabilities, along with higher provisions for advance tax payments.

owing to the nature of such assets and liabilities due inherent limitations the holding period for such assets and liabilities cannot be computed hence left blank.

2. Adjustment of Unsecured Loans against the Rights Entitlement of the Promoters

The Promoters of the Company, Mr. Yuvraj Malhotra and Mrs. Diksha Malhotra, have extended unsecured loans to the Company from time to time to meet its funding requirements. In order to strengthen the capital structure of the Company and reduce its debt obligations, the Company proposes to utilize part of the proceeds of the Rights Issue towards adjustment of the outstanding unsecured loans extended by the Promoters.

The Promoters shall subscribe to their respective entitlement and/or additional equity shares in the Rights Issue and the issue price payable on such equity shares shall be adjusted, to the extent permissible, against the outstanding unsecured loans due to them. Such adjustment shall be undertaken in accordance with the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, and other applicable laws.

The promoters, Mr. Yuvraj Malhotra and Mrs. Diksha Malhotra, have requested to our Company to adjust the outstanding unsecured loan aggregating upto ₹ 682 lakhs and ₹ 118 lakhs respectively against his entitlement in the Rights Issue vide his letter dated 04 February, 2026. The Board of Directors at their meeting held on 04rd February, 2026 have accepted their request for adjustment of unsecured loan of Lenders aggregating upto ₹ 682 lakhs and ₹ 118 lakhs in to equity shares to the extent of his subscription and allotment of the Rights Equity Shares to him under the present Rights Issue, whether pursuant to his Rights Entitlements (including Rights Entitlements renounced in his favour, if any) or subscription to Additional Rights Equity Shares (as the case may be). Consequently, no fresh proceeds would be received by our Company to that extent. The promoters, vide letter dated 04rd February, 2026 have confirmed that the unsecured loan provided by him shall be adjusted towards their subscription under the Rights Issue (both towards his entitlement, including application, if any, for additional equity shares, and for the shares that may be renounced in his favour by other Promoters or other persons) if any to the **extent upto ₹ 800 lakhs**.

The following table provides details of the relevant terms of the unsecured loans that have been availed by our Company from Mr. Yuvraj Malhotra and Mrs. Diksha Malhotra:

Name	Tenure	Purpose of Loan	Amount outstanding as on date of this DLOF	Amount to be converted in Rights issue
Mr. Yuvraj Malhotra	Repayable on demand	Working Capital	₹ 696 lakhs	₹ 682 lakhs
Mrs. Diksha Malhotra	Repayable on demand	Working Capital	₹ 119 lakhs	₹ 118 lakhs
Total				₹ 800 lakhs

3. Prepayment of outstanding borrowings availed by our Company from SBI

Our Company has, in the normal course of business, entered into financing arrangements i.e., credit facility / term loan with State Bank of India (SBI). As on date of Dlof, the Company has outstanding borrowings aggregating to ₹ 3244.46 lakhs from SBI. The proceeds of the Issue, to the extent of ₹ 1000 Lakhs, are proposed to be utilized towards prepayment of the said loan, which will result in reduction of the Company's overall indebtedness, improvement in its debt-equity ratio, and savings in finance costs.

The Company believes that the proposed prepayment of borrowings will strengthen its balance sheet, enhance liquidity position, and provide greater financial flexibility for its operations and future growth.

The utilization of Issue proceeds towards prepayment of the aforesaid loan shall be in accordance with the terms of the loan agreement entered into with SBI and subject to applicable approvals, if any.

Name of the Lender	State Bank of India (SBI)
Amount sanctioned	₹ 3200 lakhs
Amount outstanding as on of Dlof	₹ 3244.46 including interest of ₹ 44.46 lakhs
Tenure of the loan	12 months
Rate of interest (per annum) %	15.90 %
Purpose for Disbursed loan Amount was originally sanctioned and utilized	Working Capital
Pre-payment penalty, if any	Nil

4. General Corporate Purpose:

Our Board will have flexibility in applying the balance amount after utilizing the amount for acquisition of business targets towards General Corporate Purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013. Such utilization towards general corporate purposes shall be to drive our business growth, including, amongst other things including, but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

Our management will have flexibility in utilizing any amount for General Corporate Purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount available under this head and the business requirements of our Company, from time to time.

Expenses for the Issue

The Issue related expenses consist of regulatory fees, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ 70/- Lakhs towards these expenses, a break-up of the same is as follows:

The break-down of the estimated Issue expenses is disclosed below:

Activity	Estimated Expense (₹ in lakhs)	(₹ in Lakhs)	
		% of Total Estimated Issue Expenses	% of Total Issue Size
Fees of the intermediaries (including Advisors to the Issue, Registrar to the Issue, other professional service providers)	37.00	52.86%	0.05%
Regulators including stock exchange, SEBI, Depositories and other statutory fees	21.00	30.00%	0.03%
Advertising and Marketing expenses, Printing, distribution of issue stationery and postage etc	5.00	7.14%	0.01%

Activity	Estimated Expense (₹ in lakhs)	% of Total Estimated Issue Expenses	% of Total Issue Size
Others, if any (including miscellaneous expenses and stamp duty)	7.00	10.00%	0.01%
Total estimated Issue expenses*	70.00	100.00	0.10%

*Subject to finalization of Basis of Allotment and actual Allotment. Above mentioned fees are excluding Taxes.

In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilized have been appraised by any bank or financial institution.

STRATEGIC AND/OR FINANCIAL PARTNERS

There are no strategic and financial partners to the objects of the issue.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2025-26 & 2026-27.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

BRIDGE FINANCING FACILITIES

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue as on the date of this Letter of Offer.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 and as may be approved by our Board of Directors or a duly constituted committee thereof. In accordance with the Companies Act, our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

MONITORING OF UTILIZATION OF FUNDS

Our Company has appointed Infomerics Valuation and Rating Limited as the Monitoring Agency for the Issue to monitor the utilization of Gross Proceeds. The Monitoring Agency shall submit a report to our Board, till 100% of the Gross Proceeds has been utilised, as required under the SEBI ICDR Regulations. Our Company will disclose the utilization of the Gross Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. Further, pursuant to Regulation 32(5) of the SEBI LODR Regulations, our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor(s) of our Company or a peer reviewed independent chartered accountant, which shall be submitted by our Company with the Monitoring Agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published on our website and explanation for such variation (if any) will be included in our Directors' report, after placing it before the Audit Committee.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by our Company to our Promoter, our Promoter Group, our Directors or our Key Managerial Personnel, except in the normal course of its business and in compliance with applicable laws.

Our Promoter, our Promoter Group and our Directors do not have any interest in the objects of the Issue, and there are no material existing or anticipated transactions in relation to utilization of the Net Proceeds with our Promoter, Promoter Group, Directors or Key Managerial Personnel or Senior Management Personnel. Our Company does not have any associate companies (as defined under the Companies Act, 2013) as on the date of this Letter of Offer.

STATEMENT OF TAX BENEFITS

Anil Bansal & Associates
— CHARTERED ACCOUNTANTS —

To
The Board of Directors
Hilton Metal Forging Limited,
303, Tanishka Commercial Co-op. Society Ltd,
Akurli Road, Kandivali East,
Mumbai 400101.

Dear Sir,

Subject: Statement of possible Special tax benefits ("the Statement") to Hilton Metal Forging Limited ("the Company") and the shareholders of the Company in connection with the proposed rights issue of equity shares of the Company under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations")

We, M/s Anil Bansal & Associates, Chartered Accountants, hereby report that the enclosed Annexure II prepared by the Company, initiated by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together the "Tax Laws"), presently in force in India as on the signing date, which are defined in Annexure I (List of Direct and Indirect Tax Laws ("Tax Laws") prepared by the Company, initiated by us for identification purpose. These possible special tax benefits are dependent on the Company, and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion.

Reg. Office: 1001, IJMIMA Complex, Raheja's Metroplex, Link Road, Malad (West), Mumbai: 400064.
Contact: 022 - 49795471/E-mail: anilbansal1001@gmail.com/Website: www.caanilbansal.com





We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i) The Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) The conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in this Pre-filed Draft Red Herring Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Anil Bansal & Associates.
Chartered Accountants
Firm Registration no. 100421W


CA Anil Bansal
Partner
Membership No. 043918
UDIN: 26043918ABQOGQ3144
Place: Mumbai
Date: February 04th, 2026



Reg. Office: 1001, IJMIMA Complex, Raheja's Metroplex, Link Road, Malad (West), Mumbai: 400064.
Contact: 022 - 49795471/E-mail: anilbansal1001@gmail.com/Website: www.caanilbansal.com



CIN : L 28900 MH 2005 PLC 154986
HILTON METAL FORGING LTD.TM
 GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road,
 Kandivalli (E), Mumbai-101. Tel.: 91-22-4042 6565
 Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

Date: February 03rd, 2026

Annexure-I

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO HILTON METAL FORGING LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

The information provided below sets out the possible direct and indirect tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company and its shareholders to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its shareholders may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or its shareholders to exercise the option by fulfilling the conditions prescribed under the Tax laws.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail

The tax benefits stated below are as per the Income-tax Act, 1961 ('IT Act'), the Income-tax Rules, 1962 ('IT Rules'), as amended from time to time and applicable for financial year 2021-22 relevant to assessment year (AY) 2022-23 and Indirect Tax Laws as amended from time to time and applicable for financial year 2021-22.

SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY UNDER IT ACT AND IT RULES

A) Lower corporate tax rate under Section 115BAA

A new section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (the Amendment Act, 2019) w.e.f. April 1, 2020, i.e. AY 2020-21 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) provided such companies do not avail specified exemptions/incentives (e.g deduction under Section 10AA, 32(1)(iia), 33ABA, 35(2AB), 80-IA of the IT Act etc.).

The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ("MAT") on its book profits under section 115.JB of the IT Act. The Company has exercised the above option for lower corporate tax rate.

B) Section 80M-Deduction in respect of inter-corporate dividends



Works - Plot No. 1,2,3,15,16,17,20,21,25,26,28,29 & 30, Shah & Mehta Ind. Estate, Village Ghonsai, Tal. Wada, Dist. Palghar - 421 312



CIN : L-28900 MH 2005 PLC 154986
HILTON METAL FORGING LTD.TM
 GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road,
 Kandivalli (E), Mumbai-101. Tel.: 91-22-4042 6565
 Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

A new section 80M is inserted in The Finance Act, 2020 w.e.f. 1st April 2020, providing for deduction from gross total income of a domestic company, of an amount equal to dividends received by such/company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the Act.

SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

- The Company would be required to deduct tax at source on the dividend paid to the shareholders, at applicable rates. The shareholders would be eligible to claim the credit of such tax in their return of income.
- The non-resident shareholders can offer the dividend income to tax under the beneficial provisions of the Double Taxation Avoidance Agreement, if any Further, the non-resident shareholders would be eligible to claim the foreign tax credit, based on the local laws of the country of which the shareholder is a resident.
- There are no special tax benefits available to the shareholders (other than resident corporate shareholder) of the Company.

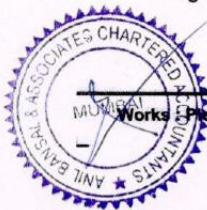
With respect to a resident corporate shareholder a new section 80M is inserted in The Finance Act, 2020 w.e.f. 1st April 2020, providing for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the Act.

SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER INDIRECT TAX LAWS

Solely in relation to the Issue, there are no special indirect tax benefits available to the Company or its shareholders.

Notes:

- These benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to maintain the views consequent to such changes this statement has been prepared solely in connection with the Rights Issue under the Regulations as amended.



Works : Plot No. 1,2,3,15,16,17,20,21,25,26,28,29 & 30, Shah & Mehta Ind. Estate, Village Ghonsal, Tal. Wada, Dist. Palghar - 421 312



CIN : L-28900 MH 2005 PLC 154986
HILTON METAL FORGING LTD.TM
GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road,
Kandivali (E), Mumbai-101. Tel.: 91-22-4042 6565
Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

For and On Behalf of Board of Directors,
Hilton Metal Forging Limited

Yuvraj Malhotra
Yuvraj Malhotra
Chairman & Managing Director



Works : Plot No. 1,2,3,15,16,17,20,21,25,26,28,29 & 30, Shah & Mehta Ind. Estate, Village Ghonsai, Tal. Wada, Dist. Palghar - 421 312



CIN : L-28900 MH 2005 PLC 154986
HILTON METAL FORGING LTD.
 GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road,
 Kandivall (E), Mumbai-101. Tel.: 91-22-4042 6565
 Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

ANNEXURE II

Date: February 03rd, 2026

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO HILTON METAL FORGING LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

UNDER THE TAX LAWS

A. Possible Special tax benefits available to the Company

i) Direct Tax Laws:

a. Lower corporate tax rate under section 115BAA of the Income Tax Act (IT Act):

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate was available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised shall apply to subsequent AYs. The concessional rate is subject to a company not availing any of the following deductions under the provisions of the Act:

- Section 10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB/3ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development.
- Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge and health and education cess) is required to be computed without set-off of carried forward loss and depreciation attributable to any of the above said deductions/incentives. A company has exercised the option to apply for the concessional





CIN : L-28900 MH 2005 PLC 154986
HILTON METAL FORGING LTD.TM
 GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road,
 Kandivali (E), Mumbai-101. Tel.: 91-22-4042 6565
 Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

rate in its return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax ("MAT") under section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate; thus, any carried forward MAT credit also cannot be claimed.

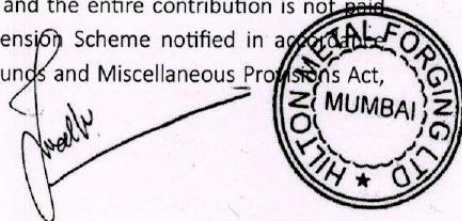
The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

We understand that the Company has opted for section 115BAA of the IT Act for the financial Year 2024-25 (AY 2025-26).

b. Deductions in respect of eligible employment cost of new employees under section 80JJAA of the Income-tax Act, 1961 ('the Act')

Section 80JJAA of the Income Tax Act, 1961 provides tax incentives for employment generation and provides for deduction from income from business of an assessee for the employment of new employees by the assessee. The employment cost eligible for these deductions should meet the following conditions:

- The assessee must be engaged in the business.
- The business is not formed by splitting up / reconstruction of an existing business or acquired by transfer from any other person or as a result of any business reorganization.
- In the case of an existing business, there must be an increase in the number of employees from the total number of the employees employed as on the last day of the preceding year.
- Deduction under the aforementioned section shall be available in respect of total emoluments paid / payable to all the "additional employees" in the aggregate, provided that each additional employee:
 - a. is in receipt of total emoluments not more than INR 25,000 per month
 - b. has been in the employment for a period not less than 240 days during the previous year (subject to the condition that where an employee is in the employment for less than 240 days but is employed for the period of 240 days or more in the immediately succeeding year, he shall be deemed to be employed in the succeeding year and the provisions of section 80JJAA shall apply accordingly).
 - c. Participates in the recognised provident fund and the entire contribution is not paid by the Government under the Employees' Pension Scheme notified in accordance with the provisions of Employees' Provident Funds and Miscellaneous Provisions Act, 1952.





CIN : L-28900 MH 2005 PLC 154986

HILTON METAL FORGING LTD.

GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road, Kandivali (E), Mumbai-101. Tel.: 91-22-4042 6565

Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

- d. Emoluments are not paid to the additional employees otherwise than by an account-payee cheque or account payee bank or by use of electronic clearing system through bank account.

This deduction is provided in order to promote employment generation in the country. This deduction, if claimed, can provide a deduction of 90% of the expenses incurred towards emoluments paid to the additional employees (such deduction of 90% is in addition to deductions of business expenses). Such deduction is available for three consecutive assessment years (one third each year) including the assessment year relevant to the previous year in which such additional employment was provided.

We understand that the Company has availed the benefit of section 80JAA for the Financial Year 2024-25 (Assessment Year 2025-26).

c. Deduction in respect of inter - corporate dividends section 80M of the Act

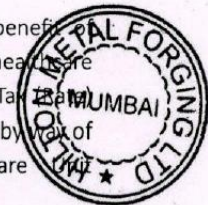
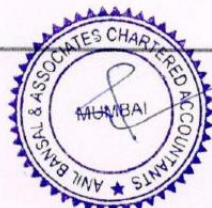
Up to 31 March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax ("DDT"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished, and dividend received by a shareholder on or after 1st April, 2020 is liable to tax in the hands of the shareholder. The Company is required to deduct Tax Deducted at Source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a resident corporate shareholder, a new section 80M has been inserted in the IT Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under subsection (1) of section 139 of the IT Act.

We understand that the Company has not availed the benefit of section 80M for the Financial Year 2024-25 (Assessment Year 2025-26).

ii) Indirect Tax Laws

- a. The Company, being engaged in the healthcare sector, is availing the benefit of exemption from payment of GST on income earned from provision of healthcare services to patients in terms of 74 of Notification No. 12/2017 – Central Tax (Rate) dated 28 June 2017 (except for services provided by a clinical establishment by way of providing room [other than Intensive Care Unit (ICU)/Critical Care Unit]).





CIN : L-28900 MH 2005 PLC 154986

HILTON METAL FORGING LTD.

GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road,
Kandivali (E), Mumbai-101. Tel.: 91-22-4042 6565

Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

(CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)] having room charges exceeding Rs. 5000 per day to a person receiving health care services) subject to fulfilment of conditions.

- b. The Company is availing the benefit of duty-free import of eligible capital goods under Export Promotion Capital Goods Scheme in terms of Notification No. 26/2023 – Customs dated 01 April 2023 (and as amended from time to time). The said benefit is subject to an export obligation equal to six times of duty saved, to be fulfilled within 6 years from the date of issue of EPCG authorization.

B. Possible Special tax benefits available to Shareholders

i) Direct Tax Laws:

- a. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the IT Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.
- b. As per Section 112A of the IT Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act as well as per Notification No. 60/2018/F.No.370142/9/2017-TPL dated 01 October 2018. It is relevant to note that tax shall be levied only where such capital gains exceed INR 1,25,000 (AY 2025-26 onward). With effective from 23 July 2024, long-term capital gains arising from transfer of an equity
- c. Share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.5% (without indexation) along with applicable rates of Surcharge and Cess. This rate shall be further increased by the applicable surcharge and health & education cess, as per the provisions of the Income Tax Act.
- d. As per Section 111A of the IT Act, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the IT-Act. Please note that the taxation of Short-Term Capital Gain for listed equity shares, a unit of an equity-oriented fund, and a unit of a business trust has been increased to 20% from 15%.





CIN : L-28900 MH 2005 PLC 154986
HILTON METAL FORGING LTD.
 GOVT. RECOGNIZED EXPORT HOUSE

Regd. Office : 303, Tanishka Commercial Bldg., Akurli Road,
 Kandivali (E), Mumbai-101. Tel.: 91-22-4042 6565
 Email : info@hiltonmetal.com Visit us at : www.hiltonmetal.com

15% along with applicable rates of Surcharge and Cess with effect from 23 July 2024. This rate shall be further increased by the applicable surcharge and health & education cess, as per the provisions of the Income Tax Act.

- e. Resident as well as non-resident buyers should independently evaluate their obligations to withhold tax on transaction involving sale of shares by the shareholders of the company in light of the provisions of section 195 and other provisions of the IT Act.

ii) Indirect Tax Laws

There are no special tax benefits available to the Shareholders of the Company.

NOTES:

1. The above is as per the current Tax Laws in force in India.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

For Hilton Metal Forging Limited

Yuvraj Malhotra
 Chairman & Managing Director



SECTION VI – OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, unless otherwise determined by our Company in a General Meeting. As on date of this Letter of Offer, our Company currently has 6 (Six) directors on its Board, consisting of 1 (One) Managing director, 2 (Two) directors acting in the capacity of being a Non-Executive Non –Independent Director and 3 (Three) directors acting in the capacity of being a Non-Executive Independent Director. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations.

The following table sets forth details regarding our Board of Directors as on the date of this Letter of Offer:

NAME, DATE OF BIRTH, DIN, DESIGNATION, ADDRESS, OCCUPATION, TERM, NATIONALITY	AGE
Mr. YUVRAJ HIRALAL MALHOTRA Designation: Chairman & Managing Director DIN: 00225156 Date of Birth: 24.03.1966 Occupation: Business Address: 3C/1701, Whispering Palms Akurli Road, Opp. Mahindra and Mahindra Gate No.2 Lokhandwala Township, Kandivali East, Mumbai, Maharashtra - 400101 Nationality: Indian Term: Re-appointed as Managing Director of the Company for a period of 5 years w.e.f. July 22, 2023 to July 21, 2026.	59 Years
Mr. SURYAKANT NANJIBHAI MAYANI Designation: Non-Executive Non-Independent Director DIN: 10764276 Date of Birth: 14.06.1952 Occupation: Retired Finance Manager Address: E-2002, Interface Heights, Behind Infinity Mall, Malad West, Mumbai - 400064 Nationality: Indian Term : Not Applicable	73 Years
Mr. VISHAL PRAKASH JAIN Designation: Non-Executive Non-Independent Director DIN: 09512854 Date of Birth: 20.07.1989 Occupation: Business Address: Ghar no. 1625 Raka Chwal, Sarshwati Chowk, Saraf Bajar, Near Hanuman Mandir, Old Nashik, Maharashtra - 422001 Nationality: Indian Term : Not Applicable	36 Years
Ms. HIMANSHI PRAHLAD MOTA Designation: Non-Executive Independent Director DIN: 10764261 Date of Birth: 31.12.1993 Occupation: Employment -Financial Teacher Address: B-1302 Arihant Enclave, Parsi Panchayat Road, Andheri East, Mumbai-400069	31 Years

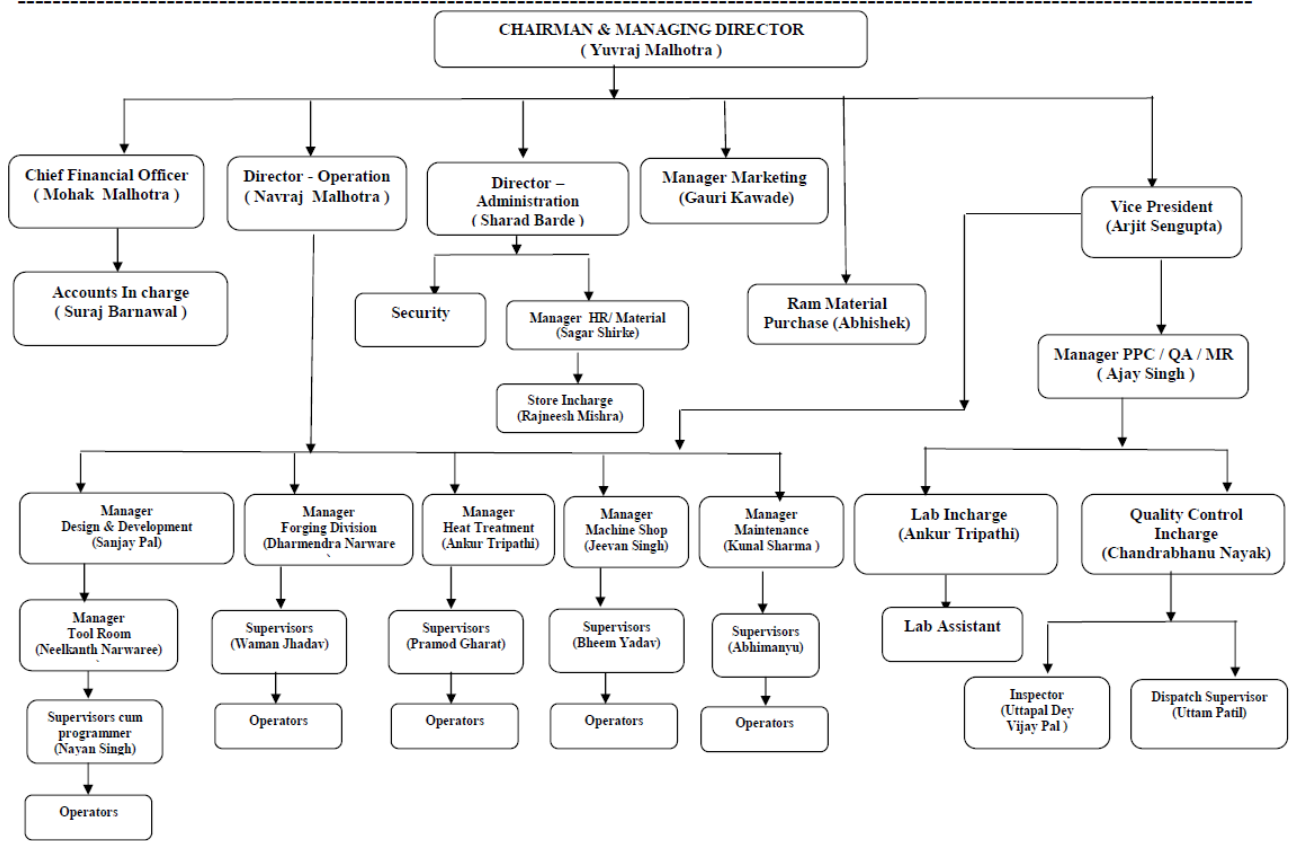
NAME, DATE OF BIRTH, DIN, DESIGNATION, ADDRESS, OCCUPATION, TERM, NATIONALITY	AGE
Nationality: Indian Term: Appointed as Non-Executive Independent Director of the Company for a period of 5 years w.e.f. August 31, 2024 to August 30, 2029.	
Mr. AMIT GOVIND PATHAK Designation: Non-Executive Independent Director DIN: 10764270 Date of Birth: 02.11.1985 Occupation: Employment – IT Sector Address: B-402, Laxmi Apartment, Manvelpada Road, Near Omkar Park, Manvelpada Gaon , Virar East - 401305 Nationality: Indian Term: Appointed as Non-Executive Independent Director of the Company for a period of 5 years w.e.f. August 31, 2024 to August 30, 2029.	41 Years
RAKESH KHAJURIA Designation: Non-Executive Independent Director DIN: 10764283 Date of Birth: 08.08.1965 Occupation: Employment – Manufacturing Sector Address: C -32, Oasis Flats, Sama Salvi Road, Behind Essar Petrol Pump, Vemali, Vadodara – 390008 Nationality: Indian Term: Appointed as Non-Executive Independent Director of the Company for a period of 5 years w.e.f. August 31, 2024 to August 30, 2029.	60 Years

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Set forth below are the details of our Key Managerial Personnel and Senior Management: -

Name	Designation	Associated with Company since
Mr. Yuvraj Malhotra	Managing Director	21 Years
Mr. Mohak Malhotra	Chief Financial Officer	3 years
Ms. Richa Shah	Company Secretary and Compliance Officer	6 years
Navraj Malhotra	Business Operation Head	21 Years

MANAGEMENT ORGANIZATIONAL STRUCTURE



SECTION VII – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

The Audited Financial Statements of our Company for the year ended March 31, 2025, and March 31, 2024, and Unaudited Financial Results for nine months ended December 31, 2025 along with Comparative prior year period i.e. December 31, 2024 with Limited Review Report can be accessed on the website of our Company <https://www.hiltonmetal.com/investors> and at:

Particulars	Weblink
Audited Financial Statements for the year 2025 & 2024	https://hiltonmetal.com/annual/
Unaudited Financial Results for the quarter ended December 31, 2025 & December 31, 2024	https://hiltonmetal.com/quarterly/

(The remainder of this page is intentionally left blank)

Anil Bansal & Associates

Chartered Accountants
1001, IJMIMA Complex,
Link Road, Malad (West),
Mumbai – 400064.

Independent Auditor's Report

To,
The Members of Hilton Metal Forging Limited

Report on the Financial Statements

Opinion

We have audited the financial statements of Hilton Metal Forging Limited ("the Company"), which comprise the Balance Sheet as at March 31st, 2025, 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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2025 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis on Matters

Refer note no. 38 to the financial statements relating to dues to micro and small enterprises as defined under the MSMED Act, 2006, the company has not made interest provision on late payment to creditors, due to the negotiation on the accepted date and materials issues, under the said act as per the applicable provisions of the law in respect to the extent of such parties have been identified on the basis of information collected by the Management.

Refer note no. 40 to the financial statements Out of the total debtors of Rs.4882.01 Lakhs As at March 31, 2025, Rs.961.95 Lakhs has more than one year at the year end. As explained to us, management is in discussion with these debtors to expedite the recoverability of the above aforesaid outstanding amounts and believes that the entire amount is fully recoverable. Therefore, no provision is considered necessary in these financial statements in this regard.

Our opinion is not qualified in respect of above matter.

Key Audit Matters

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

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

Other information

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

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

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



Management's Responsibility for the financial statements

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

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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.A. 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, except for certain matters in respect of audit trail as stated in the paragraph 2B(f) below.
- c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- d. *Except for the matter described in the Basis of Emphasis on 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, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- f. The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. 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.

2.B. 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:

- (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements, if any, refer note 30 to the financial statements;
- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (d) (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (e) The Company has not declared or paid any dividend during the year.
- (f) Based on our examination which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
 - (i) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the books of account relating to payroll, order process, general ledger and certain non-editable fields/tables of the accounting software used for maintaining general ledger.



Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

2.C. 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.

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


Anil Bansal
Partner
Membership no.: 043918
UDIN: 25043918BMJOOH1491
Place: Mumbai
Date: 30th May, 2025



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our report of even date]

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - 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.
 - d. The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
 - e. According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. In respect of Inventory and Working Capital Limits
 - a. 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 and have been properly dealt with in the books of accounts.
 - b. The company has been sanctioned working capital limits in excess of five crore rupees and the company has availed the said limit during the year, in aggregate, from banks or financial institutions on the basis of security of current assets.
 - c. According to the information and explanation provided to us and our observations, statements filed by the company with banks in agreement with the books of account of the Company.
- iii. a. 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. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the central government under section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, Prima Facie, the prescribed accounts and cost records have been maintained. we have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. According to Information and explanation given to us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other material statutory dues have generally regularly deposited with the appropriate authorities though there has been a delay in a few cases.



- b. According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable. Other Statutory dues which have not been deposited on account of dispute are as follows:

Name of Statue	Period	Type of Liabilities	Amount	Forum Where Dispute is Pending
Goods & Service Tax Act, 2017	July - 2017 to March 2020	Goods & Service Tax (GST)	Rs. 757.90 Lacs	Commissioner Appeal

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has delayed in repayment of dues to Banks during the year. The details are as under;

Particulars	Amount of delayed	No. of days	Remarks, if any.
State Bank of India	35.06 Lacs	30-58 Days	Payment is pending till the date of signing the financial statement
Punjab National Bank	7.57 Lacs	30-58 Days	Payment is pending till the date of signing the financial statement
South Indian Bank	6.76 Lacs	30-58 Days	Payment is pending till the date of signing the financial statement

- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has raised a working capital loan but has not raised any term loan during the year. The term Loans outstanding at the beginning of the year been applied for the purposes for which they were raised.
- d. On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- b. During the year, the Company has made preferential allotment of shares and converted share warrants into equity share for which the requirements of section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised. During the year compnay has converted 24,00,000 warrants of Rs. 1320.00 Lacs into 24,00,000 Equity shares of face value of Rs. 10/- each fully paid-up on a preferential basis at Rs. 55/- each (Including premium of Rs. 45/- each share).

- xi. a. Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- c. According to the information and explanations given to us, there is no whistle blower complaint has been received by the company during the year.

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



- xiii. According to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business but its requires to be more strengthen or improvement needed.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to information and explanation given to us, the Company is not required to be registered uls 45-IA of Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us, the company has not incurred cash losses in the current financial as well as in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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


Anil Bansal
Partner
Membership no.: 043918
UDIN: 25043918BMJOOH1491
Place: Mumbai
Date: 30th May, 2025



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, 2025, 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 31st March 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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



Anil Bansal
Partner
Membership no.: 043918
UDIN: 25043918BMJOOH1491
Place: Mumbai
Date: 30th May, 2025



HILTON METAL FORGING LIMITED
CIN: L28900MH2005PLC154986
Balance sheet as at 31st March 2025

	Notes	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,401.39	2,571.05
Capital work-in-progress	3	2,542.73	2,114.54
Investment property	4	-	87.27
Financial assets			
Investment	5	0.50	0.50
Trade receivables	6	961.95	500.48
Other Non-current Financial Assets	7	25.29	25.29
		5,931.87	5,299.13
Current assets			
Inventories	8	8,410.81	7,891.08
Financial assets			
Trade receivables	6	3,920.06	2,715.05
Cash and cash equivalents	9	646.38	116.97
Other financial assets	7	20.69	27.13
Other current Assets	10	3,141.27	2,407.25
		16,139.21	13,157.48
Total assets		22,071.08	18,456.61
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	2,340.00	2,100.00
Other equity	12	9,219.63	7,851.97
Total Equity		11,559.63	9,951.97
Non-current liabilities			
Financial Liabilities			
Borrowings	13	1,250.96	1,403.40
Provisions	14	102.86	93.42
Deferred tax liabilities (Net)	15	70.92	86.45
		1,424.75	1,583.27
Current liabilities			
Financial liabilities			
Borrowings	13	4,849.68	3,714.78
Trade Payables	16	2,867.19	2,119.41
Other financial liabilities	17	179.70	289.57
Provisions	14	7.95	6.98
Other current liabilities	18	1,080.39	659.34
Current Tax Liability	19	101.78	131.29
		9,086.69	6,921.37
Total		22,071.08	18,456.61

Significant accounting policies and Notes to the financial statements

2 to 43

As per our report of even date

For: Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

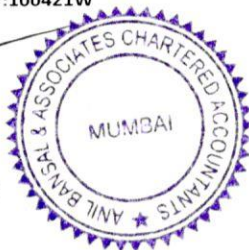
Anil Bansal

Partner

Membership no. 043918

Place : Mumbai

Date : 30th May, 2025



For and on Behalf of Board of
Hilton Metal Forging Limited

Yuvraj Malhotra
Chairman/Managing Director
(DIN-00225156)

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Mohak Malhotra
CFO
(DIQPM6990E)



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Statement of profit and loss for the year ended 31st March 2025

	Notes	For the year ended 31 st March 2025 Rs. In Lacs	For the year ended 31 st March 2024 Rs. In Lacs
Income			
Revenue from operations	20	16,304.73	13,807.11
Other Income	21	517.63	181.70
Total Revenue		16,822.35	13,988.80
Expenses:			
Cost of materials consumed	22	14,347.09	12,215.31
Change in inventories of finished goods and Working in Progress	23	(391.21)	(1,112.20)
Employee benefit expenses	24	377.03	315.42
Finance cost	25	704.66	648.37
Depreciation & amortization expenses	26	222.97	219.60
Other expenses	27	952.05	915.78
Total expenses (II)		16,212.58	13,202.28
Profit/(loss) Before Exceptional Item		609.77	786.52
Exceptional Item		-	-
Profit/(loss) Before Tax		609.77	786.52
Tax expense:			
Current Tax		101.78	131.29
Mat credit entitlement		(94.12)	(131.29)
Deferred tax		(15.53)	117.94
Total tax expenses		(7.87)	117.94
Profit/(loss) After Tax		617.63	668.58
Other comprehensive income:			
i. Items that will not be reclassified to Statement of Profit and Loss		-	-
ii. Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	-
iii. Items that will be reclassified to Statement of Profit and Loss		-	-
Total comprehensive income for the year		-	-
Profit/(loss) transfer to balance sheet		617.63	668.58
Earnings per equity share of face value of ₹ 10 each	28		
Basic (in ₹)		2.78	3.18
Diluted (in ₹)		2.78	3.18
Significant accounting policies and Notes to the financial statements	2 to 43		

As per our report of even date

For: Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

Anil Bansal

Partner

Membership no. 043918

Place : Mumbai

Date : 30th May, 2025



For and on Behalf of Board of
Hilton Metal Forging Limited

Yuvraj Malhotra
Chairman/Managing Director
(DIN-00225156)

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Mohak Malhotra
CFO
(DIQPM6990E)



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Cash Flow Statement for the year ended 31st March, 2025

Notes	For the year ended 31 st March 2025	For the year ended 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Cash flow from operating activities		
Profit before tax and after prior period items	609.77	786.52
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization	222.97	219.60
Finance costs	704.66	648.37
Profit on sale on investment property	(353.30)	-
Interest / Rent Income income	(153.95)	(146.74)
Foreign Exchange loss/(gain) (net)	(10.08)	78.15
Operating profit before working capital changes	1,020.07	1,585.91
Movements in working capital:		
Decrease/(increase) in inventories	(519.73)	(1,246.49)
Decrease/(increase) in trade receivables	(1,666.49)	287.30
Decrease/(increase in) in loans, financial and other assets	(727.58)	(105.00)
Increase/(decrease) in short term borrowings	1,134.89	222.33
Increase/(decrease) in trade payables	747.78	16.78
Increase/(decrease) in loans, financial & other liabilities	266.16	361.31
Increase/(decrease) in provisions	10.41	7.18
Cash generated from / (used in) operations	265.51	1,129.32
Direct taxes paid (net of refunds)	7.87	(117.94)
cash flow before extraordinary item	273.38	1,011.38
Extra ordinary item	-	-
Net cash flow from/ (used in) operating activities (A)	273.38	1,011.38
Cash flows from investing activities		
Equity shares issued with premium	948.78	-
Share forfeiture during the year	41.25	-
Share Application/share warrants Money Received pending for the allotment	-	371.25
Addition of property, plant and equipment	(590.93)	(683.49)
Proceeds from the sale of property	550.00	-
Interest received / rent received	153.95	146.74
	1,103.05	(165.49)
Cash flows from financing activities		
Long term borrowing / repayment (net)	(152.44)	(113.68)
Finance cost	(704.66)	(648.37)
Net cash flow from/ (used in) in financing activities (C)	(857.10)	(762.06)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	519.33	83.83
Foreign Exchange loss/(gain) (net)	10.08	(78.15)
Cash and cash equivalents at the beginning of the year	116.97	111.30
Cash and cash equivalents at the end of the year	646.38	116.97
Components of cash and cash equivalents		
Cash on hand	0.02	10.40
Balance with banks:		
On current accounts	11.29	1.12
Earmarked deposit accounts	635.07	105.45
Total cash and bank equivalents	646.38	116.97

Significant accounting policies and Notes to the financial statements

2 to 43

As per our report of even date

For: Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

Anil Bansal
Partner

Membership no. 043918

Place : Mumbai

Date : 30th May, 2025



For and on Behalf of Board of
Hilton Metal Forging Limited

Yuvraj Malhotra
Chairman/Managing Director
(DIN-00225156)

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Mallhotra

Mohak Malhotra
CFO
(DIQPM6990E)



A. EQUITY SHARE CAPITAL

Balance at the beginning of the reporting period i.e. 1st April, 2023	Changes in Equity Share capital during the year 2023-24	Balance at the end of the reporting period i.e. 31st March, 2024	Changes in Equity Share capital during the year 2024-25	Balance at the end of the reporting period i.e. 31st March, 2025
2,100.00		2,100.00	240.00	2,340.00

Rs. In Lacs

B. OTHER EQUITY

Particulars	Share warrant/application money pending allotment	Capital reserve	Reserve & Surplus			Item of other comprehensive income	Total
			General Reserve	Securities Reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 1st April, 2023	-	-	515.53	6,344.59	(85.25)	37.27	6,812.14
Received during the year	371.25	-	-	-	-	-	371.25
Equity share issued during the year	-	-	-	-	-	-	-
During for the year	-	-	-	-	668.58	-	668.58
Other comprehensive Income including net of Tax	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2024	371.25	-	515.53	6,344.59	583.33	37.27	7,851.97
Balance at the beginning of the reporting period i.e. 1st April, 2024	371.25	-	515.53	6,344.59	583.33	37.27	7,851.97
Equity share issued during the year	(1,485.00)	-	-	-	-	-	(1,485.00)
Share warrant forfeited During the year	-	41.25	-	-	-	-	41.25
During for the year	1,113.78	-	-	1,080.00	617.63	-	2,811.41
Other comprehensive Income including net of Tax	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e. 31st March, 2025	0.03	41.25	515.53	7,424.59	1,200.96	37.27	9,219.63

Rs. In Lacs

Significant accounting policies and Notes to the financial statements 2 to 43

As per our report of even date
For: Anil Bansal & Associates
Chartered Accountants

Firm registration number: 100421W



Anil Bansal
Partner

Membership no. 043918

Place : Mumbai

Date : 30th May, 2025

For and on Behalf of Board of
Hilton Metal Forging Limited

(Signature)
Yuvraj Malhotra
Chairman/Managing Director
(DIN-00225156)

(Signature)
Richa Pankaj Shah
Company Secretary
(DERPS1049D)

(Signature)
Mohak Malhotra
CFO
(DIQPM6990E)



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 303, Tanishka Commercial Co-op. Society Ltd, Akurli Road, Kandivali East, Mumbai 400101, 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 – Significant accounting policies:

a) Statement of compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

b) Basis of preparation of financial statements

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

- 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.

c) 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



f



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended March 31, 2025

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.

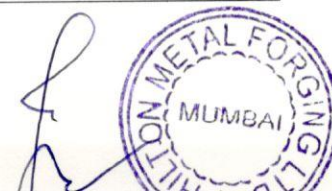
d) Property, plant and equipment

- 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.

e) 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



f) 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.

g) 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.

h) 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 as well as current financial years.

i) 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.

j) 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.

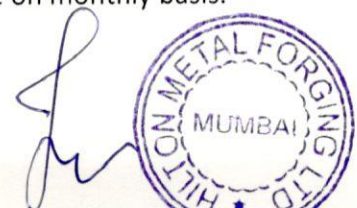
Gain or losses upon settlement of foreign currency transactions are recognized in the Statement of Profit and Loss for the period in which the transaction is settled.

k) 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.

l) 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.

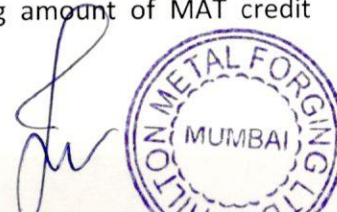
ii) Deferred tax

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.

m) 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.

n) 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:

- i. It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii. 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.

o) 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.

p) Financial assets**i. 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.

ii) 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:

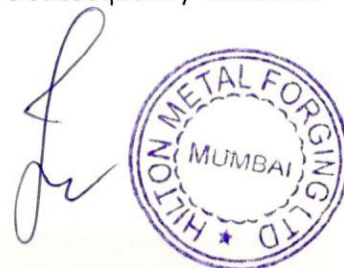
- (i) The entity's business model for managing the financial assets and
- (ii) The contractual cash flow characteristics of the financial asset.

iii) Classification of financial assets**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.



q) 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;

(a) 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.

(b) 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

(c) 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.



HILTON METAL FORGING LIMITED
CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended 31st March, 2025

Note 3 - Property, Plant and equipment

(Rs. in Lacs)

Particulars	Gross Block of Assets				Depreciation			Net Block	
	As on 01/04/2024	Addition/ Transfer	Disposal/ Transfer	As on 31/3/2025	As on 01/04/2024	During the year	Deduction	As on 31/03/2025	As on 31/03/2024
Land	137.59	-	-	137.59	-	-	-	137.59	137.59
Building and Shed	745.98	-	-	745.98	298.48	13.29	-	311.77	447.49
Staff Quarters	106.46	-	-	106.46	43.70	1.95	-	45.66	62.75
Office Premises	1.70	-	-	1.70	1.70	-	-	1.70	-
Pant & Machinery	4,684.77	-	-	4,684.77	2,809.51	197.04	-	3,006.55	1,875.25
Electrical Installation	96.37	-	-	96.37	85.84	0.83	-	86.67	10.52
Motor Car	6.73	-	-	6.73	5.61	-	-	5.61	1.12
Office Equipment	38.33	11.59	-	49.92	33.54	3.88	-	37.41	4.79
Designs & Drawings	0.68	-	-	0.68	0.65	-	-	0.65	0.03
Computer	55.06	2.87	-	57.94	44.62	2.16	-	46.78	10.44
Furniture & Fixtures	106.78	38.84	-	145.63	85.74	3.82	-	89.57	21.04
Total	5,980.45	53.31	-	6,033.76	3,409.40	222.97	-	3,632.37	2,571.05
Capital Work in Progress	-	-	-	-	-	-	-	2,542.73	2,114.54
At 31st March 2024	5,958.71	21.75	-	5,980.45	3,189.80	219.60	-	3,409.40	2,768.91



Note 4- Investment Property

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Property held with investment*	-	87.27
Total	-	87.27

*During the year, the Company has sold property for a total consideration of ₹ 550.00 lacs. Accordingly company has disclosed the income under the head "Income from sale of property". (Refer note no.21)

Note 5- Non Current Investment

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
<u>Unquoted Shares</u>		
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

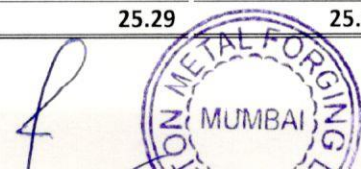
	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Non-current		
Unsecured, considered good	961.95	500.48
Total	961.95	500.48
Current		
Unsecured, considered good	3,920.06	2,715.05
Total	3,920.06	2,715.05

Note 6.1 - Trade receivables ageing schedule for the year ended

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
<u>Undisputed Trade receivables</u>		
Less than 6 Months	3,094.33	2,532.72
6 Months to 1 year	825.73	182.33
1-2 years	78.00	89.47
2-3 years	411.51	34.90
More than 3 years	472.44	376.10
<u>Disputed Trade receivables</u>	-	-
	4,882.01	3,215.53

Note 7 - Other Financial Assets

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Non-current		
<u>Secured - Considered Good</u>		
Security deposit	25.29	25.29
Total	25.29	25.29



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended 31st March, 2025

CurrentSecured - Considered Good

Security deposit

Total

20.69

27.13

20.69**27.13****Note 8 - Inventories**

Raw Material (including Goods in Transit)
Semi Finished Goods
Finished Goods
Store, Spares & Consumables
Dies and Inserts
Total

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
--	---	---

3,742.36

3,590.43

2,667.13

2,470.62

487.13

292.43

36.35

39.43

1,477.84

1,498.18

8,410.81**7,891.08****Note 9 - Cash and Cash Equivalents**

Cash in hand
Balance with banks:
On current accounts
FDR (Lien with banks)

Total

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
--	---	---

0.02

10.40

11.29

1.12

635.07

105.45

646.38**116.97****Note 10 - Other current Assets**

(Unsecured, Considered Good)

Balance with Statutory Authorities
Balance receivable against property
Other advances
Total

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
--	---	---

402.78

446.07

525.00

-

2,213.50

1,961.18

3,141.27**2,407.25****Note 11 - Share Capital****a. Authorised Shares**

35,000,000 (Previous year 25,000,000) Equity Shares of Rs. 10/- each.

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
--	---	---

3,500.00

2,500.00

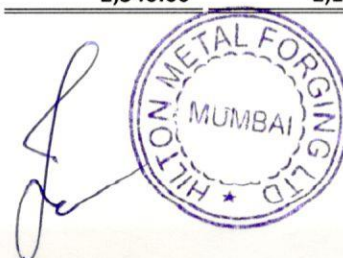
Issued, Subscribed and fully paid -up Shares

23,400,000 (Previous year 21,000,000) Equity Shares of Rs. 10/- each.

Total Issued, Subscribed and fully paid -up Shares

2,340.00

2,100.00

2,340.00**2,100.00**

b. Reconciliation of number of shares outstanding

Equity Share Capital

Particular	As at 31 st March 2025		As at 31 st March 2024	
	Share in Lacs	Rs. In Lacs	Share in Lacs	Rs. In Lacs
As at the beginning of the year	210.00	2,100.00	210.00	2,100.00
Add: Conversion of share warrant into Equity Share	24.00	240.00	-	-
As at the end of the year	234.00	2,340.00	210.00	2,100.00

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. Money received against share warrants

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
<u>Money received against share warrants</u>		
25% upfront payment	-	371.25
75% balance payment	-	-
	-	371.25

Money received against Share Warrants represents amounts received towards share warrants which entitles the warrant holders the option to apply for and be allotted equivalent number of equity shares of the face value of Rs. 10/ each.

During financial year, the Company has converted 24,00,000 share warrant into equity shares of face value Rs. 10/- each to certain parties under preferential allotment as approved by the shareholders in accordance with Chapter V of the Securities and Exchange Board of India (issue of Capital and Disclosure Requirements) Regulations, 2018. The Equity Shares were issued @ Rs. 55/- per Equity Share (including a share premium of Rs. 45/- per share).

e. Shareholding of promoter

Shares held by promoters as at March 31, 2025

Promoter Name	No of Shares	% of Total Shares	% Change during the
Yuvraj Malhotra	5,837,599	24.95	8.35
Diksha Malhotra	347,941	1.49	-
Navraj Malhotra	64,653	0.28	(51.99)
Seema Gujral	8,400	0.04	-
Mohak Malhotra	101,515	0.43	6,600.66
Yashika Malhotra	50,000	0.21	100.00

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

Name of the equity shareholder	As at 31st March, 2025		As at 31st March, 2024	
	Shares	% Holding	Number of Shares	% Holding
Yuvraj Hiralal Malhotra	5,837,599	24.95	5,387,559	25.66

*As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.



HILTON METAL FORGING LIMITED
CIN: L28900MH2005PLC154986
Notes to the Financial Statement for the year ended 31st March, 2025
Note 12 - Other equity

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
a) Share warrant/application money pending allotment		
Opening balance	371.25	-
Share application money received during the year	1,113.78	371.25
Less: Equity share issued during the year	1,485.00	-
Closing balance	0.03	371.25
b) Capital Reserve		
Balance as per the last financial statement	-	-
Add: Share warrant forfeited during the year*	41.25	-
Closing balance	41.25	-
c) General Reserve		
Balance as per the last financial statement	515.53	515.53
Add: Transfer during the year	-	-
Closing balance	515.53	515.53
d) Share premium		
Balance as per the last financial statement	6,344.59	6,344.59
Add: Addition during the year	1,080.00	-
Closing balance	7,424.59	6,344.59
e) Other Comprehensive Income		
Balance as per the last financial statement	37.27	37.27
Add: Addition during the year	-	-
Closing balance	37.27	37.27
f) Surplus in the statement of profit and loss		
Balance as per the last financial statement	583.33	(85.25)
Add: Transfer during the year	617.63	668.58
Closing balance	1,200.96	583.33
Total	9,219.63	7,851.97

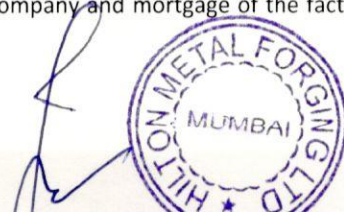
*During the year, company has forfeited 3,00,000 convertible share warrants amounting to Rs.41.25 Lakhs. Convertible share warrants were forfeited under Regulation 169(3) of SEBI ICDR.

Note 13 - Borrowing

	As at March 31, 2025		As at March 31, 2024	
	Non Current Rs. In Lacs	Current Rs. In Lacs	Non Current Rs. In Lacs	Current Rs. In Lacs
Secured Loans				
<u>Term loans*</u>				
Indian rupee loan from Banks	881.04	179.70	1,076.42	289.57
<u>Working capital loan**</u>				
Indian rupee loan from Banks	-	4,849.68	-	3,714.78
Unsecured Loans				
Sales tax deferred	110.13	-	110.13	-
Loan from Related Party (Refer Note 13.1)	259.79	-	216.85	-
	1,250.96	5,029.38	1,403.40	4,004.35
Less: Amount disclosed under the head current liabilities (Note-17)	-	179.70	-	289.57
Net amount	1,250.96	4,849.68	1,403.40	3,714.78

*Term loan from State Bank of India, ICICI Bank & South Indian Bank 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.

**Working capital loan from State Bank of India, Punjab National Bank, ICICI Bank & South Indian Bank 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.



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended 31st March, 2025

Note 13.1 - Loan from related parties

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Yuvraj Malhotra	180.28	45.80
Navraj Malhotra	0.53	1.50
Diksha Malhotra	72.14	124.86
Mohak Malhotra	-	7.75
Yashika Malhotra	6.84	36.95
Total	259.79	216.85

Note 14 - Provision

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Non Current		
Provision for gratuity	95.97	86.52
Provision for leave entitlements	6.90	6.90
Total	102.86	93.42
Current		
Provision for gratuity	7.95	6.98
Total	7.95	6.98

Note 15 - Deferred tax liabilities (Net)

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Related to fixed assets	70.92	86.45
Deferred tax liabilities (Net)*	70.92	86.45

Note 16 - Trade Payables

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Micro, Small and Medium Enterprises (Refer Note-39)	22.01	22.41
Others Payable	2,845.18	2,097.00
Total	2,867.19	2,119.41

Note 16.1 - Trade payable ageing schedule for the year ended

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
<u>Micro, Small and Medium Enterprises</u>		
Less than 1 year	0.71	3.23
1-2 years	20.72	17.52
2-3 years	0.58	1.65
	22.01	22.41
<u>Others payable</u>		
Less than 1 year	2,696.05	1,632.42
1-2 years	22.88	222.24
2-3 years	32.93	119.25
More than 3 years	93.31	123.09
	2,845.18	2,097.00
Total	2,867.19	2,119.41



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended 31st March, 2025

Note 17 - Other financial liabilities

	As at 31 st March 2025	As at 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Current		
Current Maturity	179.70	289.57
Total	179.70	289.57

Note 18 - Other Current Liabilities

	As at 31 st March 2025	As at 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Statutory Dues	53.55	41.69
Advance from customers	143.73	254.33
Other Current liabilities	883.11	363.32
Total	1,080.39	659.34

Note 19 - Current Tax Liability

	As at 31 st March 2025	As at 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Current Income Tax	101.78	131.29
Total	101.78	131.29

Note 20 - Revenue From Operation

	Year ended 31 st March 2025	Year ended 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Revenue from operations		
Sale of products	16,294.90	13,794.38
Other Operating Revenues	9.83	12.73
Total revenue from operations	16,304.73	13,807.11

Note 21 - Other Income

	Year ended 31 st March 2025	Year ended 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Rent	37.80	32.53
Interest on Bank Deposit & Others	116.15	114.21
Income on the sale of property	353.30	-
Others*	10.38	34.96
Total	517.63	181.70

*Including foreign exchange gain/(loss) net.



Note 22 - Cost of material and consumed

	Year ended 31 st March 2025 Rs. In Lacs	Year ended 31 st March 2024 Rs. In Lacs
Opening Stock	3,629.85	3,454.32
Add: Purchases (Including stores)	14,495.95	12,390.84
	18,125.80	15,845.16
Less: Closing Stock (including stores)	(3,778.71)	(3,629.85)
Total	14,347.09	12,215.31

Note 23 - Change in inventories of finished goods and Work in Progress

	Year ended 31 st March 2025 Rs. In Lacs	Year ended 31 st March 2024 Rs. In Lacs
Closing stock of finished goods	487.13	292.43
Closing stock of Semi-finished goods	2,667.13	2,470.62
	3,154.26	2,763.05
Opening stock of finished goods	292.43	158.43
Opening stock of Semi- finished goods	2,470.62	1,492.43
	2,763.05	1,650.85
Total	(391.21)	(1,112.20)

Note 24 - Employee benefit expenses

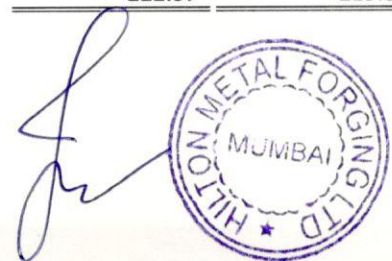
	Year ended 31 st March 2025 Rs. In Lacs	Year ended 31 st March 2024 Rs. In Lacs
Salaries, wages and bonus	346.25	287.16
Contribution to provident and other funds	21.41	23.33
Staff welfare expenses	9.37	4.93
Total	377.03	315.42

Note 25 - Finance Cost

	Year ended 31 st March 2025 Rs. In Lacs	Year ended 31 st March 2024 Rs. In Lacs
Interest on Borrowing	637.60	513.35
Others Charges	67.06	135.02
Total	704.66	648.37

Note 26 - Depreciation and amortization expense

	Year ended 31 st March 2025 Rs. In Lacs	Year ended 31 st March 2024 Rs. In Lacs
Depreciation & Dies amortize cost	222.97	219.60
Total	222.97	219.60



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended 31st March, 2025

Note 27 - Other expenses

	Year ended 31 st March 2025 Rs. In Lacs	Year ended 31 st March 2024 Rs. In Lacs
Manufacturing expenses		
Power and fuel	523.54	436.89
Factory General Expenses	70.06	139.10
Labour Charges	3.19	25.92
Water Charges	4.79	2.92
Repairs & Maintenance	23.87	18.17
	625.46	622.99
Sales & Administration Expenses		
Advertisement & Sales Promotion Expenses	17.84	11.60
Communion Cost	0.86	1.64
Rent, Rates & Taxes	45.33	22.72
Traveling & Conveyance	27.74	30.45
Printing and Stationery	0.61	0.72
Freight & Forwarding Charges	56.45	27.04
Packing Material Consumed	0.89	5.70
Legal, Professional & Technical Charges	98.72	106.66
Auditors Remuneration	9.00	9.00
CSR Expenses	11.00	-
General expenses	58.13	77.26
	326.58	292.78
Total	952.05	915.78
Payment to Auditor		
Audit fee	9.00	9.00
	9.00	9.00

Note 28 - Basic earnings per shares

	Year ended 31 st March 2025	Year ended 31 st March 2024
Profit after tax (Rs. In Lacs)	617.63	668.58
Weighted average number of shares outstanding during the year (In Lacs)	222.43	210.00
Face value per share (In Rs.)	10.00	10.00
Basic & Diluted earnings per share (In Rs.)	2.78	3.18

Note 29 - Contingent liabilities

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Goods & Service Tax (GST) Appeal with Commissioner*	757.90	-

*Demand in respect of Goods & Service (GST) matters for the period July-2017 to March-2020 (F.Y.2017-18 to F.Y.2019-20) for which appeal is pending. This is disputed by the Company and hence not provided for in the books of accounts.

Note 30 - Segment reporting

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



Note 31 - Related Party Disclosure [as certified by Management]**(a) List of related parties where control exists and related with whom transactions have taken place and relationships:**

Name of the Related Party	Designation	Relationship
Yuvraj Malhotra	Chairman and Managing Director (CMD)	
Vishal Jain	Director	
Himanshi Mota	Director	
Amit Pathak	Director	
Rakesh Khajuria	Director	Key Management Personnel
Suryakant Mayani	Director	
Mohak Malhotra	Chief Financial Officer (CFO)	
Richa Pankaj Shah	Company Secretary (CS)	
Navraj Malhotra	Relatives of CMD	
Yashika Yuvraj Malhotra	Relatives of CMD	Relatives
Diksha Malhotra	Relatives of CMD	

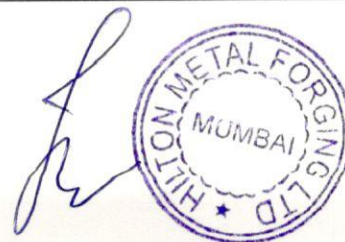
b) Transactions with related parties for the year ended March 31, 2025

(Rs. In Lacs)

Particulars	Key Management Personnel and their relatives	
	At at 31st March 2025 (In Lacs)	At at 31st March 2024 (In Lacs)
Remuneration & Salary		
Navraj Malhotra	28.80	28.80
Yashika Malhotra	12.00	12.00
Richa Pankaj Shah	4.20	4.20
Mohak Malhotra	18.00	12.00
Suryakant Mayani	2.10	-
Loans taken		
Yuvraj Malhotra	1,269.10	124.52
Diksha Malhotra	134.18	82.80
Yashika Malhotra	30.27	22.40
Mohak Malhotra	450.29	23.68
Navraj Malhotra	3.72	-
Loans repayment		
Yuvraj Malhotra	1,403.59	120.24
Diksha Malhotra	81.47	54.94
Yashika Malhotra	0.16	7.01
Mohak Malhotra	442.54	15.93
Navraj Malhotra	2.75	-

C) Balances with related parties as at March 31, 2025

Balance Outstanding at year end		
Yuvraj Malhotra	180.28	45.80
Diksha Malhotra	72.14	124.86
Yashika Malhotra	16.78	39.29
Navraj Malhotra	11.60	8.57
Mohak Malhotra	-	9.28
Surayakant Mayani	1.04	-
Richa Pankaj Shah	2.44	0.70



Note 32 - Gratuity

The company operates one-defined plans, viz., gratuity Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 out of 26 days of salary for year of service. The gross obligation toward the gratuity at the end of the year on is Rs.103.92 Lacs (previous year, Rs. 93.50 Lacs).

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

	Year ended 31 st March 2025	Year ended 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Current service cost	3.84	4.50
Past service cost and loss/(gain)	-	-
Net interest cost	6.48	6.18
Total expenses recognized in the statement of profit or loss	10.32	10.68

(ii) Other Comprehensive Income for the current period

	As at 31 st March 2025	As at 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	3.56	1.44
Due to Change in Demographic assumptions	-	-
Due to experience adjustments	(3.47)	(0.20)
Benefits paid by company	-	(4.75)
Amounts recognized in Other Comprehensive Income	0.09	(3.50)

Defined benefit obligation are as follows:

	As at 31 st March 2025	As at 31 st March 2024
	Rs. In Lacs	Rs. In Lacs
Liability at the beginning of the year	93.50	86.33
Interest cost	6.48	6.18
Current service cost	3.84	4.50
Due to changes in financial assumption	3.56	1.44
Due to changes in demographic assumption	-	-
Past service cost	-	-
Due to experience Adjustment	(3.47)	(0.20)
Benefit Paid by Company	-	(4.75)
Liability at the end of the year	103.92	93.50

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

	As at 31 st March 2025
Discount rate	6.60% P.A
Salary Growth Rate	5% pa
Withdrawal Rate	10% pa at yonger ages reducing to 2% P.A at older ages
Age of retirement (years)	60



Note 33 - Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradicating poverty, hunger and malnutrition, promoting healthcare and improvement in education. A CSR committee has been by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on their activities which are specified in schedule VII of the Companies Act 2013.

	As at March 31, 2025 ₹ in Lacs	As at March 31, 2024 ₹ in Lacs
i) Amount required to be spent by the company during the year	9.93	NA
ii) Amount of expenditure incurred	11.00	-
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	-	-
vi) Nature of CSR activities	Eradicating poverty, hunger & malnutrition, promoting healthcare, improvement in education	
vii) Details of Related Party Transaction	NA	NA
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

Note 34 - Imported and indigenous raw material, components and spare parts consumed

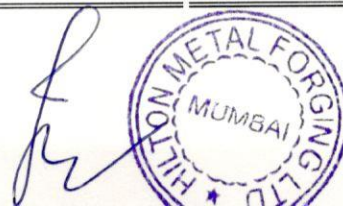
	As at 31st March 2025		As at 31st March 2024	
	% of total consumption	Amount in Rs.Lacs	% of total consumption	Amount in Rs.Lacs
Imported	-	-	-	-
Indigenous	100.00	13,955.88	100.00	11,103.11
Total	100.00	13,955.88	100.00	11,103.11

Note 35 - Financial Derivative Instruments

Foreign currency exposure that are not hedge by derivative instruments as on 31st March, 2025 is USD \$ 2,46,637 & Euro (€) 62,689 [previous year USD \$ 349,563 & Euro (€) 55,250]. The unhedged exposure are naturally hedged by foreign currency earnings and earnings linked to foreign currency.

Note 36 - Categories Of Financial Instruments

	As at 31 st March 2025 Rs. In Lacs	As at 31 st March 2024 Rs. In Lacs
Financial Assets		
<u>Break up of financial assets carried at amortised cost</u>		
Trade receivables (Note 6)	4,882.01	3,215.53
Cash and cash equivalents (Note 9)	646.38	116.97
Other financial assets (Note 7)	45.97	52.41
Total financial assets carried at amortised cost	5,574.36	3,384.91
<u>Break up of financial assets at fair value through profit or loss</u>		
Investments-Non-current (Note 5)	0.50	0.50
Total financial assets carried at fair value through profit or loss	0.50	0.50



Financial Liabilities

Break up of financial liabilities carried at amortised cost

Non Current-Long term Borrowings (Note 13)	1,250.96	1,403.40
Current-Short term Borrowings (Note 13)	4,849.68	3,714.78
Trade payables (Note 16)	2,867.19	2,119.41
Other Current Financial Liabilities (Note 17)	179.70	289.57
Total financial liabilities carried at amortised cost	9,147.53	7,527.16

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

Note 37 - Financial Risk Management Objectives And Policies

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

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

A) Credit Risk

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

i) Trade receivables

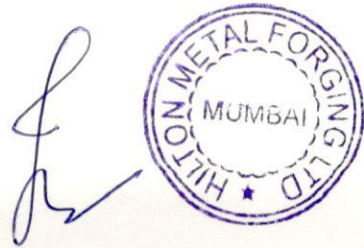
Customer credit risk is managed in accordance with the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits are defined in accordance with this assessment. Outstanding customer receivables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

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

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

ii) Cash and Cash equivalents and Other financial assets

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



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

B) Market Risk

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

i) Commodity Risk

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

ii) Foreign currency risk

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

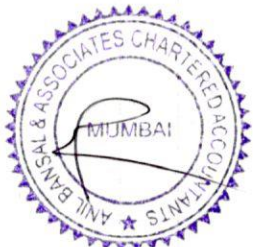
Foreign currency sensitivity analysis

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

Foreign currency exposure that are not hedge by derivative instruments as on 31st March, 2025 is USD \$ 1,20,172.63 & Euro (€) 55,249 [previous year USD \$ 349,563 & Euro (€) 55,250]. The unhedged exposure are naturally hedged by foreign currency earnings and earnings linked to foreign currency.

C) Liquidity risk

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



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended 31st March, 2025

Fair values	As at	As at
	31 st March 2025	31 st March 2024
	Rs. In Lacs	Rs. In Lacs

i) Class wise fair value of the Company's financial instruments:

Investments (unquoted) in Equity shares	0.50	0.50
---	------	------

ii) Fair value hierarchy

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

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:

Assets measured at fair value::

Investment in equity shares	-	-	0.50
-----------------------------	---	---	------

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024:

Assets measured at fair value:

Investment in equity shares	-	-	0.50
-----------------------------	---	---	------

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

Note 38 - Ratio

	March 31, 2025	March 31, 2024	Variance In %
Current Raio	1.78	1.90	(6.57)
Debt-Equity Ratio	0.49	0.53	8.32
Debt Service Coverage Ratio	1.85	1.99	7.08
Return on Equity (ROE)	0.26	0.32	(5.44)
Trade Receivables Turnover Ratio	3.34	4.29	(22.22)
Trade Payables Turnover Ratio	5.06	5.85	(13.52)
Net Capital Turnover Ratio	2.31	2.21	4.42
Net Profit Ratio	0.04	0.05	21.77
Return on Capital Employed (ROCE)	0.10	0.12	(18.62)

Note 39 - Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

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

Note 40 - Deferred tax

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



HILTON METAL FORGING LIMITED

CIN: L28900MH2005PLC154986

Notes to the Financial Statement for the year ended 31st March, 2025

Note 41 - Out of the total debtors of Rs.4882.01 Lakhs As at March 31, 2025, Rs.961.95 Lakhs has more than one year at the year end. For this the management is in discussion with these debtors to expedite the recoverability of the above aforesaid outstanding amounts and believes that the entire amount is fully recoverable. In view of the forgoing, no provision is considered necessary in these financial statements in this regard.

Note 42 - Other Statutory Information

- a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b. The Company does not have any transactions with struck off companies.
- c. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- e. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- f. The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Note 43 - 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

Anil Bansal

Partner

Membership no. 043918

Place : Mumbai

Date : 30th May, 2025



For and on Behalf of Board of
Hilton Metal Forging Limited

Yuvraj Malhotra
Chairman/Managing Director
(DIN-00225156)

Richa Pankaj Shah
Company Secretary
(DERPS1049D)

Mohak Malhotra
CFO
(DIQPM6990E)

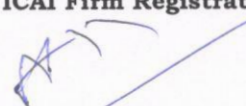


Independent Auditor Review Report on the quarterly and year to date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF HILTON METAL FORGING LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Hilton Metal Forging Limited (the "Company") for the quarter ended December 31, 2025 and for the period from April 01, 2025 to December 31, 2025 ("the statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of the material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Company Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Regulations as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

For: Anil Bansal & Associates
Chartered Accountants
ICAI Firm Registration Number 100421W


Per Anil Bansal
Partner
Membership Number 043918
UDIN: 26043918DVMPPPE6867
Place: Mumbai
Date: 14th February, 2026



HILTON METAL FORGING LIMITED

CIN NO L 28900 MH 2005 PLC 154986

Regd Office : 303, Tanishka Building, Akurli Road, Kandivali - East, Mumbai - 400101, Maharashtra, India.

Website : Hiltonmetal.com, Email : secretarial@hiltonmetal.com,

Telephone : 022 4042 6565 Fax No 022 4042 6566

Unaudited Financial Results for the quarter and nine months ended 31st December 2025

all amount Rs in Lacs

Particulars	Quarter Ended 31.12.2025	Quarter Ended 30.09.2025	Quarter Ended 31.12.2024	Nine Months Ended 31.12.2025	Nine Months Ended 31.12.2024	Year Ended 31.03.2025
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 a) Revenues from Operations	6984.36	8764.01	4029.30	17953.41	11807.49	16304.73
b) Other Income Net	33.10	38.00	42.43	108.64	114.69	517.63
Total Income	7017.47	8802.01	4071.73	18062.05	11922.18	16822.35
2 Expenses						
a) Cost of Raw material and Component Consumed	6512.37	8301.50	3472.14	16936.80	10367.20	14347.09
b) Change in Inventory of Finished Goods, work-in-progress, dies and Scrap	-161.50	-178.13	-117.57	-669.49	-399.35	-391.21
c) Employee Benefit Expenses	100.26	83.29	98.82	275.43	259.66	377.03
d) Finance Costs	186.93	152.07	209.02	497.71	533.30	704.66
e) Depreciation and Amortisation	55.36	56.21	56.10	167.78	167.82	222.97
f) Other Expenses	186.80	217.36	299.38	536.42	790.55	952.05
Total Expenses (a to g)	6880.22	8632.29	4017.90	17744.65	11719.17	16212.58
3 Profit before Exceptional Items and	137.25	169.72	53.83	317.41	203.01	609.77
4 Exceptional items (Gain/Loss)	0.00	0.00	0.00	0.00	0.00	0.00
5 Profit Before Tax (3 - 4)	137.25	169.72	53.83	317.41	203.01	609.77
6 Tax Expenses						
Current Tax	22.91	28.33	8.99	52.87	33.09	101.78
Mat Entitlement	-22.91	-28.33	-8.99	-52.87	-33.09	-94.12
Deffered Tax	-4.37	-4.41	8.40	-13.14	38.00	-15.53
Total Tax Expenses	-4.37	-4.41	8.40	-13.14	38.00	-7.87
7 Profit /(Loss) after tax	141.61	174.13	45.43	330.55	165.01	617.63
8 Profit/(Loss) from discontinued operations before Tax	0.00	0.00	0.00	0.00	0.00	0.00
9 Tax Expenses on discontinued operations	0.00	0.00	0.00	0.00	0.00	0.00

For Hilton Metal Forging Limited

Yuvraj Malhotra

Chairman & Managing Director

DIN : 00225156



10	Profit / (-Loss) from discontinued operations after Tax	0.00	0.00	0.00	0.00	0.00	0.00
11	Profit (Loss) for the period (7 + 10)	141.61	174.13	45.43	330.55	165.01	617.63
13	Other Comprehensive Income :						
	A - i) Items that will not be classified to Profit & Loss Account	0.00	0.00	0.00	0.00	0.00	0.00
	- ii) Income tax related items that will not be reclassified to Profit and Loss account	0.00	0.00	0.00	0.00	0.00	0.00
	B - i) items that will be classified to Profit & Loss Account	0.00	0.00	0.00	0.00	0.00	0.00
	- ii) Income tax related items that will be reclassified to Profit and Loss account	0.00	0.00	0.00	0.00	0.00	0.00
14	Total Comprehensive Income for the period (11 + 12) (comprising Profit (Loss) and other comprehensive Income	0.00	0.00	0.00	0.00	0.00	0.00
15	Total Profit (-Loss) attributable	141.61	174.13	45.43	330.55	165.01	617.63
16	Details of Equity Share Capital						
	Paid Up Share Capital	2340.00	2340.00	2340.00	2340.00	2340.00	2340.00
	Face Value of Equity Share Capital (Rs.)	10	10	10	10	10	10.00
17	Earning per Equity share						
	Basic earnings (loss) per share from Continuing and Discontinuing Operations	0.61	0.74	0.19	1.41	0.71	2.78
	Diluted earnings (loss) per share from Continuing and Discontinuing Operations	0.61	0.74	0.19	1.41	0.70	2.78
	Debt Equity Ratio						
	Debt Service Coverage Ratio						
	Interest Service Coverage Ratio						

For Hilton Metal Forging Limited

Yu Waj Malhotra
Yu Waj Malhotra
Chairman & Managing Director
DIN : 00225156



Notes:

- 1 The above Results have been reviewed by the audit committee, and approved by the Board of Directors in their meeting held on 14-02-2026 and have been subject to Limited Review by the Statutory Auditors.
- 2 Financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS), prescribed Under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.
- 3 The previous period figures have been regrouped/re-arranged wherever necessary to make them comparable with those of the Current period.
- 4 The company manufactures "forging Components" Like flanges and Forged Fittings and management reviews the performance of the company as a single operating segment in accordance with Ind AS 108 "Operating Segments" notified pursuant to Companies (Accounting Standards) rule 2015, Accordingly no segment information / Segment has been furnished herewith.
- 5 The results will be available on the Company's website: www.hiltonmetal.com
- 6 The company has no Subsidiary, Joint Venture and Associate as on 31st December, 2025
- 7 The full format of Quarter / Annual Financial Results is available on the stock exchanges website and the company's Website - www.hiltonmetal.com

For Hilton Metal Forging Limited


Yuvraj Malhotra
Chairman & Managing Director
DIN: 00225156



SUMMARY OF FINANCIALS

The following table sets forth the summary of financials for the year ended March 31, 2025 & March 31, 2024 derived from the Audited Financial Statements and Unaudited Financial Results for nine months ended December 31, 2025 along with Comparative prior year period i.e. December 31, 2024 are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2025	December 31, 2024	December 31, 2025
Total income from operations	13,807.11	16,304.73	4029.30	6984.36
Net profit/loss before tax and extraordinary items	786.52	609.77	53.83	137.25
Net profit/loss after tax and extraordinary items	117.94	617.63	45.43	141.61
Equity share capital	2,100.00	2,340.00	2340.00	2340.00
Reserves and surplus	7851.97	9219.63	9130.75	9550.18
Net worth	9,951.97	11,559.63	11470.75	11,890.18
Basic Earnings per share	3.18	2.78	0.19	0.61
Diluted Earnings per share	3.18	2.78	0.19	0.61
Return on net worth	1.20%	5.30%	0.40%	1.20%
Net Asset Value per Share	47.39	49.4	49.02	50.81

DETAILED RATIONALE FOR THE ISSUE PRICE

The investors should read the following summary with the section titled “Risk Factors” with the details about our Company under the section titled “Summary of Letter of Offer” and its financial statements under the section titled “Financial Information” beginning on page 24 and 72 respectively of this Letter of Offer. The trading price of the Equity Shares of our Company could decline due to these risks and the investors may lose all or part of their investment.

The Board of Directors of the Company has determined the Rights Issue price of ₹16.68/- per equity share, considering various factors, including that the issue price is at a discount to the recent market prices making it attractive to existing shareholders and the discount range to the current market price is in line with the industry practice, ensuring competitiveness.

The Issue Price represents:

- a discount of **7.23%** and **6.40%** to the closing market price of the Equity Shares on **BSE** and **NSE**, respectively, one trading day prior to the announcement of the Rights Issue Price;
- a discount of **21.29%** and **20.76%** to the 10 trading days’ volume weighted average price (“VWAP”) of the Equity Shares on BSE and NSE, respectively, preceding the announcement of the Rights Issue Price;
- a discount of **51.93%** and **48.21%** to the 90 trading days’ VWAP of the Equity Shares on BSE and NSE, respectively, preceding the announcement of the Rights Issue Price; and
- a discount of **39.01%** and **38.90%** to the closing market price of the Equity Shares on BSE and NSE, respectively, one trading day prior to the announcement of the Rights Issue (i.e., February 3, 2025).

Note: Date of announcement of the Rights Issue Price by our Company is February 28, 2026.

SECTION VIII – GOVERNMENT APPROVALS AND LICENSING ARRANGEMENT

GOVERNMENT AND OTHER APPROVALS

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, refer to the chapter titled “*Objects of the Issue*” beginning at page 49.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of our Board passed at its meeting held on February 4, 2026, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

This Letter of Offer has been approved by our Board of Directors in their meeting pursuant to its resolution dated February 4, 2026. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Rights Issue Committee of our Board at its meeting held on February 18, 2026.

Our Company has received 'in-principle' approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to their letter dated February 16, 2026 and February 16, 2026 respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

The Board of Directors in their meeting held on February 16, 2026 have determined the Issue Price as 16.68/- per Rights Equity Share (including a premium of ₹ 6.68/- per Rights Equity Share) aggregating up to ₹ 2797.24 Lakhs* and the Rights Entitlement as 29 Rights Equity Share for every 60 Equity Shares held on the Record Date i.e., Tuesday, February 24, 2026. The Issue Price has been arrived at by our Company prior to determination of the Record Date.

**Assuming full subscription and subject to finalisation of the basis of allotment.*

Our Company has been allotted the ISIN INE788H20033 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "Terms of the Issue" beginning on page 83 of this Letter of Offer.

PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

Prohibition by SEBI or Other Governmental Authorities:

Our Company, our Promoters, the members of our Promoter Group and our Directors are not and have not been debarred from accessing capital markets. Further, our Company, our Promoter, the members of our Promoter Group and our Directors are not and have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Further, our Promoter and our Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Neither our Promoter nor any of our Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Promoters and Directors.

None of our Directors are associated with the securities market in any manner. Further, there is no outstanding action initiated by SEBI against any of our directors, who have been associated with the securities market.

Prohibition by RBI:

Neither our Company, nor our Promoters or any of our Directors of have been categorized or identified or declared as a Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited and National Stock Exchange of India Limited. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations.

COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI (ICDR) REGULATIONS

Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to this Issue. NSE is the Designated Stock Exchange for this Issue.

CAUTION

Our Company shall make all the relevant information available to the Eligible Equity Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions where it is lawful to do so. Unless otherwise specified, the information contained in this Letter of Offer is current only as of its date.

Our Company accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

DISCLAIMER CLAUSES FROM OUR COMPANY

Our Company accepts no responsibility for the statements made otherwise than in this Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in this Issue will be deemed to have represented to our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all the applicable laws, rules, regulations, guidelines and approvals to acquire Rights Equity Shares of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue. Our Company, and their directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

DISCLAIMER WITH RESPECT TO JURISDICTION

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICIATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue is National Stock Exchange of India Limited ("NSE").

DISCLAIMER CLAUSE OF BSE

As required, a copy of the Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Letter of Offer is as under, shall be included in the Letter of Offer prior to filing with the Stock Exchange. The disclaimer clause as intimated by the BSE to us vide their in-principle approval letter dated February 16, 2026 is as under:

*"BSE Limited ("the Exchange") has given vide its letter dated **February 16, 2026**, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

- a. Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or*
- b. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or*
- c. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;*

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

DISCLAIMER CLAUSE OF NSE

As required, a copy of the Draft Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Letter of Offer is as under, shall be included in the Letter of Offer prior to filing with the Stock Exchange. The disclaimer clause as intimated by the NSE to us vide their in-principle approval letter dated February 16, 2026 is as under:

*“As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/53314 dated **February 16, 2026** permission to the Issuer to use the Exchange’s name in this letter of offer as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.*

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

LISTING

Our Company will apply to BSE and NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

SELLING RESTRICTIONS

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Any person who makes an application to acquire Rights Entitlement and the Right Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction and India, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Issue Materials nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHT EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR, AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX, AND RELATED MATTERS CONCERNING THE OFFER OF RIGHT EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHT EQUITY SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHT EQUITY SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID

SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form or Rights Entitlement Letter should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders, who have provided an Indian address to our Company. Any person who purchases or sells Rights Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the rights to treat as invalid any Application form which:

- Does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations;
- Appears to our Company or its agents to have been executed in or dispatched from the United States;
- Where a registered Indian address is not provided; or
- Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any U.S. federal or state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011' and shall comply with the SEBI circular bearing reference number SEBI/HO/OIAE/CIR/P/2023/156 dated September 20, 2023, and any other circulars issued in this regard. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Further, pursuant to SEBI Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_ IAD1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), the SEBI has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

Our Company has a Stakeholders Relationship Committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 21 days from the date of receipt of the complaint.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled ***‘Terms of the Issue’*** beginning on page 83.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

Company Secretary and Compliance Officer	Registrar to the Issue
<p>Ms. Richa Shah Address: 303, Tanishka Commercial Co-op. Society Ltd Akurli Road, Kandivali East, Mumbai - 400101 Contact Details: +91-22-40426565 E-mail: secretarial@hiltonmetal.com Website: www.hiltonmetal.com</p>	<p>Purva Shareregistry (India) Private Limited Address: Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India; Contact Person: Mr. Rajesh Shah Tel No.: +91 22 4961 4132 / +91 22 4970 0138; Email: newissue@purvashare.com Investor grievance e-mail: newissue@purvashare.com Website: www.purvashare.com SEBI Registration No: INR000001112</p>

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at www.purvashare.com. Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are newissue@purvashare.com or +91 22 4961 4132.

SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.

Investors are requested to note that Application in this Issue can only be made through ASBA or any other mode which may be notified by SEBI.

For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question (FAQ) on the website of the Registrar at www.purvashare.com.

Please note that our Company has opened a separate demat escrow account (namely, “Hilton Metal Forging Limited - Right Issue Escrow Entitlement Demat Account” (“Demat Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (“IEPF”) authority; or (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed / suspense escrow account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons. Please also note that our Company has credited Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are requested to provide relevant details (such as applicable regulatory approvals, Form ISR1, ISR-2 with original cancelled cheque (if signature does not match with our record), ISR-4 (if shares are under unclaimed suspense account) self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by Tuesday, March 10, 2026 to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date i.e., by Thursday, March 12, 2026, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the

Registrar account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner.

Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Suspense Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Suspense Account to the respective demat account other than in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights Entitlement Letter. Upon submission of such documents /records not later than two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

OVERVIEW

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in the, Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, the SEBI ICDR Master Circular and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched at least three days before the Issue Opening Date only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or redistributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by

any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “Restrictions on Purchases and Resales” beginning on page 118.

The Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, this Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

Investors can access the Draft Letter of Offer, the 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’s website at www.hiltonmetal.com;
- b) Registrar to the Issue’s website at www.purvashare.com;
- c) the Stock Exchanges website at www.bseindia.com & www.nseindia.com;

Eligible Equity Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, in case shares held in physical mode or contact with their Depository participant in case shares held in demat mode, Eligible Equity Shareholders should visit www.purvashare.com.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue’s website at www.purvashare.com by entering their DP-ID and Client-ID or Folio Number (for Eligible Equity Shareholders holding Equity Shares in physical form as on Record date), and PAN. The link for the same shall also be available on the website of our Company at www.hiltonmetal.com.

PLEASE NOTE THAT NEITHER OUR COMPANY NOR THE REGISTRAR SHALL BE RESPONSIBLE FOR NOT SENDING THE PHYSICAL COPIES OF ISSUE MATERIALS, INCLUDING THE LETTER OF OFFER, THE RIGHTS ENTITLEMENT LETTER AND THE APPLICATION FORM OR DELAY IN THE RECEIPT OF THE LETTER OF OFFER, THE RIGHTS ENTITLEMENT LETTER OR THE APPLICATION FORM ATTRIBUTABLE TO NON-AVAILABILITY OF THE E-MAIL ADDRESSES OF ELIGIBLE EQUITY SHAREHOLDERS OR ELECTRONIC TRANSMISSION DELAYS OR FAILURES, OR IF THE APPLICATION FORMS OR THE RIGHTS ENTITLEMENT LETTERS ARE DELAYED OR MISPLACED IN THE TRANSIT.

The distribution of this Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is

unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, such Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

This Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THIS ISSUE:

- 1. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI ICDR Master Circular, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see *“Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders”* on page 100 of this Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form, as applicable, as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors are also advised to ensure that the

Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “Grounds for Technical Rejection” beginning on page 95 of this Letter of Offer.

Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements and such Investors shall not utilise the Application Form for any purpose including renunciation even if it is received subsequently. For details, see *‘Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA Process’* on page no. 89.

2. Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to in the Issue.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- a) *apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or*
- b) *apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or*
- c) *apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or*
- d) *apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or*
- e) *renounce its Rights Entitlements in full.*
- f) *in case of Promoter and Promoter Group, renouncement of their Rights Entitlements can be made in favour of Specific Investors;*

3. Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical

mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA:

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.

- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA:

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (c) Do not send your physical Application to the Registrar, the Bankers to the Issue (assuming that such Bankers to the Issue are not SCSB's), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (e) Do not submit Application Form using third party ASBA account.
- (f) Avoiding applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
- (g) Do not submit Multiple Application Forms.

4. Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA Process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or Stock Exchanges. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being '**Hilton Metal Forging Limited**';
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio No./DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialized form;
6. Number of Rights Equity Shares entitled to;
7. Total number of Rights Equity Shares applied for;
8. Number of additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
9. Total number of Rights Equity Shares applied for;
10. Total amount paid at the rate of ₹ 16.68/- for Rights Equity Shares issued in one Rights Entitlement;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained.
13. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
14. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. In addition, all such Eligible Shareholders are deemed to have accepted the following:

"I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act ("Regulation S") to Eligible Equity Shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled "Restrictions on Purchases and Resales" on page 118.

I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date."

I/ We acknowledge that the Company their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

5. Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights 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 Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear 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.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and/or whose demat account details are not available with our Company or the Registrar, shall be credited in the Demat Suspense Account.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders to send form ISR1, ISR2 (in case signature does not match with RTA record), ISR-4, Client master copy, Copy of Self attested PAN, Original Cancelled cheque to RTA above documents should reach with RTA not later than two Clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date; and
- (c) The remaining procedure for Application shall be same as set out in the section entitled "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page no. 89.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the Demat Suspense Account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled "*Basis of Allotment*" on page no. 109.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.

Additional general instructions for Investors in relation to making of an application

- a. Please read this Letter of Offer carefully to understand the Application process and applicable settlement process.
- b. Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section entitled “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page no. 89.
- d. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges.
- e. Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- f. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income Tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g. Ensure that the Demographic Details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories.**

The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- h. By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j. Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- l. All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective Depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m. Investors are required to ensure that the number of Rights Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.
- n. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

- q. Do not pay the Application Money in cash, by money order, pay order or postal order.
- r. Do not submit Multiple Applications.
- s. An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA Rules, as amended.
- t. Ensure that your PAN is linked with Aadhaar, and you are in compliance with CBDT notification dated February 13, 2020, and press release dated June 25, 2021, and September 17, 2021.

6. Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- a. DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar/ Depository.
- c. Sending an Application to our Company, Registrar, Bankers to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f. Account holder not signing the Application or declaration mentioned therein.
- g. Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.

- m. Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q. Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r. Application from Investors that are residing in U.S. address as per the depository records.
- s. Applicants not having the requisite approvals to make Application in the Issue.
- t. RE not available in DPID on Issue Closing Date.

7. Multiple Applications

In case where multiple Applications are made using same demat account in respect of the same set of Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors, and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see *“Procedure for Applications by Mutual Funds”* on page no. 98.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications may be treated as multiple applications and are liable to be rejected or all the balance shares other than Rights Entitlement will be considered as additional shares applied for, other than multiple applications submitted by any of our Promoter or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in the section entitled *“Summary of the Letter of Offer– Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement, (ii) their intention to subscribe over and above their rights*

entitlement; and (iii) their intention to renounce their rights, to any specific investor(s)” on page no. 22.

8. Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- a. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI (Venture Capital Funds) Regulations, 1996 (“SEBI VCF Regulations”) and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 (“SEBI FVCI Regulations”) prescribe, among

other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws. As per the FEMA Rules, an NRI or OCI may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funded or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies ("**NBFC-SI**")*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is Friday, March 13, 2026, i.e., Issue Closing Date. Our Board thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or Rights Issue Committee thereof, the invitation to offer contained in this Letter of Offer shall be deemed to have been declined and our Board or Rights Issue Committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in the section entitled "**Basis of Allotment**" on page no. 109.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor applying through ASBA facility may withdraw their Application post the Issue Closing Date. In case of Specific Investor in whose favour Promoter and Promoter Group have renounced their Rights Entitlement and the Specific Investors have made an application for subscribing to the Rights Entitlement, then no withdrawal of such application will be allowed.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board or Rights Issue Committee reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within one Working Day from the

Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

- ***Rights Entitlements***

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar i.e., www.purvashare.com by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date). The link for the same shall also be available on the website of our Company (i.e., www.hiltonmetal.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: INE788H20033. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the Demat Suspense Account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat by sending ISR1, ISR-2 (in case signature not matched with RTA record), ISR-4 with copy of PAN, original Cancelled cheque (name of 1st shareholder

should be printed on it), Copy of CML (client master) to RTA in original. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master 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, our Company shall credit the Rights Entitlements to:

1. the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form and
2. a demat suspense escrow account (namely, "*HILTON METAL FORGING LIMITED - RIGHT ISSUE ESCROW ENTITLEMENT DEMAT ACCOUNT*") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to
 - (a) Equity Shares held in the account of the Investor Education and Protection Fund Authority; or
 - (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (c) 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 Registrar; or
 - (d) credit of the Rights Entitlements returned/reversed/failed; or
 - (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or
 - (f) non-institutional equity shareholders in the United States.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

1. Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

2. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity 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 Equity 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 Stock Exchanges or through an off-market transfer.

3. Procedure for Renunciation of Rights Entitlements

During the Renunciation Period, the Eligible Equity Shareholders may renounce the Rights Entitlements credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹ 16.68/- per Rights Equity Share (including premium of ₹ 6.68/- per Rights Equity Share) shall be payable on Application

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

1. On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE788H20033 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlement. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Friday, March 6, 2026 to Friday, March 13, 2026 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE788H20033 (and

indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of Stock Exchange (BSE & NSE) under automatic order matching mechanism and on 'T+1 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

2. Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

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 to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE788H20033, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Under the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money

mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of the Issue such as face value, Issue Price, Rights Entitlement, see “*Terms of the Issue*” beginning on page no. 83.

1. *Fractional Entitlements*

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 29 Equity Share for every 60 Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 2 Equity Shares or not in the multiple of 2, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than 2 Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

2. *Ranking*

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue, shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

3. *Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue*

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company will apply for in-principle approval from the BSE and NSE. Our Company will apply to BSE Limited and NSE for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 532847) and NSE (Scrip Code: HILTON) under the ISIN: INE788H01017. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of such period, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

4. *Subscription to this Issue by our Promoter and members of our Promoter Group*

For details of the intent and extent of subscription by our Promoter and members of our Promoter Group, see “*Summary of Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement, (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights, to any specific investor(s)*” on page no. 22.

5. *Rights of Holders of Equity Shares of our Company*

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;
- b) The right to receive surplus on liquidation;
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Letter of Offer; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

1. *Market Lot*

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

2. *Joint Holders*

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

3. *Nomination*

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

4. *Arrangements for Disposal of Odd Lots*

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

5. *Restrictions on transfer and transmission of shares and on their consolidation/splitting*

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to the provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

6. *Notices*

Our Company will send through email and speed post, this Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Ahmedabad, Gujarat, where our Registered Office is situated).

This Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

7. Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at newissue@purvashare.com. It will be the sole responsibility of the Investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

This Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access the 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) from the websites of the Registrar, our Company, and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR

DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 110.

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	Wednesday, February 25, 2026
ISSUE OPENING DATE	Friday, March 6, 2026
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS#	Tuesday, March 10, 2026
ISSUE CLOSING DATE*	Friday, March 13, 2026
FINALIZATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	Monday, March 16, 2026
DATE OF ALLOTMENT (ON OR ABOUT)	Monday, March 16, 2026
DATE OF CREDIT (ON OR ABOUT)	Wednesday, March 18, 2026
DATE OF LISTING (ON OR ABOUT)	Wednesday, March 18, 2026

#Eligible 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 Renouncees on or prior to the Issue Closing Date;

**Our Board or a duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) clear Working Days prior to the Issue Closing Date, i.e., Tuesday, March 10, 2026, to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Escrow Account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., Thursday, March 12, 2026.

Investors are advised to ensure that the Applications Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled ***‘Terms of the Issue’*** beginning on page 83 of this Letter of Offer.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board/Rights Issue Committee will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares.

Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this

head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis having due regard to the number of Rights Entitlement held by them as on Issue Closing Date and in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any specific investor(s) disclosed by our Company in terms of the SEBI ICDR Regulations before opening of the Issue, provided there is surplus available after making full Allotment under (a), (b), (c) and (d) above.

After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCsBs to unblock the respective ASBA Accounts.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in Demat Suspense Account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within one Working Day from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such other rate as specified under applicable law from the expiry of such period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

1. Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a. Unblocking amounts blocked using ASBA facility.
- b. **National Automated Clearing House (“NACH”)** is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the Depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c. **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d. **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e. **RTGS** – If the refund amount exceeds ₹ 2,00,000/-, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.

- f. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- g. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

2. Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within two days from the Issue Closing Date or such other timeline in accordance with applicable laws.

1. RECEIPT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- a. Tripartite agreement, amongst our Company, NSDL and the Registrar to the Issue; and
- b. Tripartite agreement, amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent through e-mail or physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, on their registered email address or through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two clear Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

XIII. IMPERSONATION

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

- a) makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or***
- b) makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or***
- c) Otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447."***

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakh or one percent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount (provided that where the fraud involves public interest, such term of imprisonment shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10 lakh or one percent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty

of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 lakh or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;
2. Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
3. Details of all unutilized monies out of this Issue referred to under (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
- 3) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within fifteen days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) No further issue of securities shall be made till the Equity Shares offered through this Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- 7) Adequate arrangements shall be made to collect all ASBA Applications.
- 8) As on date, our Company does not have any convertible debt instruments.
- 9) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this the Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "**HILTON METAL FORGING LIMITED – RIGHTS ISSUE**" on the envelope and postmarked in India) to the Registrar at the following address:

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED	
Address	Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India
Contact Person	Ms. Deepali Dhuri
Tel No.	+91 22 4961 4132 / +91 22 4970 0138
Email	newissue@purvashare.com
Investor Grievance E-mail	newissue@purvashare.com
Website	www.purvashare.com
SEBI Registration Number	INR000001112
Validity of Registration	Permanent

3. In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at www.purvashare.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties: +91 22 4961 4132.
4. The Investors can visit following links for the below-mentioned purposes:
 - a. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.purvashare.com;
 - b. Updation of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company www.purvashare.com;
 - c. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.purvashare.com;
 - d. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders newissue@purvashare.com;

This Issue will remain open for a minimum 7 (Seven) days. However, the Board of Directors/Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the “*automatic route*”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “*government route*”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the consolidated FDI Policy Circular of 2020 (***FDI Circular 2020***), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing

approval from the government is valid to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND REALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with the Stock Exchanges. Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. This Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

No offer in the United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Letter of Offer into the United States at any time.

Representations, Warranties and Agreements by Purchasers

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in “offshore transactions” as defined, and in reliance on, Regulation S under the U.S. Securities Act.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” (as defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.

8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE & NSE and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and NSE (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) our Company, any of its affiliates, have not made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
13. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company.

14. The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who be, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
16. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
17. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
18. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
19. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
20. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
22. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 A.M. and 5 P.M. on all working days from the date of filing of the Letter of Offer until the Issue Closing Date. The copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at www.hiltonmetal.com from the date of this Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated February 4, 2026, between our Company and the Registrar to the Issue.
2. Monitoring Agency Agreement dated February 4, 2026, between our Company and the Monitoring Agency.
3. Bankers to the Issue Agreement dated February 4, 2026 between our Company and the Registrar to the Issue and the Escrow Collection Bank(s).
4. Tripartite Agreement between our Company, National Securities Depository Limited (NSDL) and Registrar to the Issue;
5. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation of our Company.
3. Copies of Audited Financial Statement of our Company for the last 2 (Two) Financial Years ending March 31, 2025 & March 31, 2024 and Unaudited Financial Results for nine months ended December 31, 2025 along with Comparative prior year period i.e. December 31, 2024 with Limited Review Report.
4. Resolution of our Board of Directors dated February 4, 2026 in relation to the Rights Issue.
5. Resolution of our Board of Directors dated February 4, 2026, approving the Draft Letter of Offer.
6. Resolution of our Board of Directors dated February 18, 2026, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
7. Resolution of our Board of Directors dated February 28, 2026, approving the Letter of Offer.
8. Consents of our Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Bankers to the Issue, and the Registrar to the Issue, Monitoring Agency for inclusion of their names in the Letter of Offer to act in their respective capacities.
9. Annual Reports of our Company for the Financial Years 2025 and 2024.
10. Report on Statement of Special Tax Benefits dated February 4, 2026, for our Company from the Statutory Auditors of our Company.
11. In-principle approval issued by BSE Limited and National Stock Exchange of India Limited dated 'February 16, 2026' and dated 'February 16, 2026' respectively

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS AND KEY MENEGERIAL PERSONNEL OF OUR COMPANY

Sd/-

Mr. Yuvraj Hiralal Malhotra
 Chairman & Managing Director

Sd/-

Mr. Rakesh Khajuria
 Non-Executive - Independent Director

Sd/-

Mr. Suryakant Nanjibhai Mayani
 Non-Executive - Non Independent Director

Sd/-

Mr. Amit Govind Pathak
 Non-Executive - Independent Director

Sd/-

Mr. Vishal Prakash Jain
 Non-Executive - Non Independent Director

Sd/-

Ms. Himanshi Prahlad Mota
 Non-Executive - Independent Director

Sd/-

Mr. Mohak Yuvraj Malhotra
 Chief Finance Officer

Sd/-

Mrs. Richa Shah
 Company Secretary & Compliance Officer

Place: Mumbai

Date: February 28, 2026